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Greece under SYRIZA government and the European Union

Rocznik Integracji Europejskiej nr 12, 243-254

2018

Artykuł został opracowany do udostępnienia w internecie przez Muzeum Historii Polski w ramach prac podejmowanych na rzecz zapewnienia otwartego, powszechnego i trwałego dostępu do polskiego dorobku naukowego i kulturalnego. Artykuł jest umieszczony w kolekcji cyfrowej bazhum.muzhp.pl, gromadzącej zawartość polskich czasopism humanistycznych i społecznych.

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DOI : 10.14746/rie.2018.12.16

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It has now been three years of the SYRIZA ruling in Greece and the economic reform, undertaken by the government of Alexis Tsipras to bail out of the massive financial debt, appears to be nearing a successful completion. In this paper, an attempt to evaluate the socio-economic impacts of the delicate balancing between the harsh austerity programmes, creditors' demands, tough economic reforms, and the European Union (EU) mandate for recovery is presented. A detailed analysis of political, economic and social events is provided, giving credit to SYRIZA cautious ruling.

The victory in the parliamentary elections held on January 25, 2015 (SYRIZA received 36.3% of votes and 149 seats in the 300-member parliament), was related to the dissatisfaction of Greek citizens with the current "belt tightening policy" and the condition of the Greek economy.¹ The success of A. Tsipras party was mainly based on the announcements of retreat from some budget cuts and opposition to the Brussels dictate. At the election rally in Athens, on the last day of the campaign, the leader of SYRIZA argued: "On Monday, our national humiliation will be over! We will finish with orders from abroad!" (Barkin, Rinke, 2015).

SYRIZA's election programme did not appear as revolutionary, however, considering the situation in Greece at the time, it announced significant changes (Sapir, 2015). Its foundations were presented by A. Tsipras in August 2014 at the International Fair in Thessaloniki (Greek: *Diethnis Ekthesi Thessalonikis*, DETH). The leader, then the opposition party, announcing the assumptions of the so-called "The Thessaloniki Programme"² emphasized the need for the new elections and a strong mandate to conduct further negotiations with creditors. A. Tsipras, in his speech, criticized the current policy of Prime Minister Antonis Samaras accusing him of surrendering to the government in Berlin. In addition, citing the example of Germany in 1953, he argued that his party would seek to reduce the Greek debt and introduce the remaining part of the so-

¹ According to the Eurobarometer surveys carried out in autumn 2014 and spring 2015, 98% and 97% of respondents respectively assessed the economic situation in the country as total bad. When asked about the most important problems of Greece, in the autumn of 2014, 60% of respondents indicated unemployment, 46% the economic situation, spring 2015 – 56% unemployment, 51% economic situation (*Standard Eurobarometer 82*, 2014, *Standard Eurobarometer 83*, 2015). The unemployment rate in Greece in 2014 reached the level of 26.5% and in 2015 – 24.9%, while among the young (<25), the unemployed were around half: in 2014 – 52.4%, 2015 – 49.8% (*Unemployment statistics*, 2018).

² The English version of "The Thessaloniki Program" is available on the official website of the party: <https://www.syriza.gr/article/SYRIZA---THE-THESSALONIKI-PROGRAMME.html>.

called “growth clause,” so that it would be financed by economic growth and not from the budget (Tsipras, 2014). It also assumed the exclusion of public investments from the constraints of the Stability and Growth Pact and activities for the “European New Deal” with public investments and financing from the European Investment Bank (*The Thessaloniki*, 2014; Tsipras, 2014).

The four pillars of the National Reconstruction Plan, which constitute the basis of “The Thessaloniki Programme,” were designed to enable the implementation of tasks presented by A. Tsipras: 1. Confronting the humanitarian crisis; 2. Restarting the economy and promoting tax justice; 3. Regaining employment; 4. Transforming the political system to deepen democracy. Their detailed assumptions and estimated implementation costs are included in the table 1.

The commitments presented by A. Tsipras, in the absence of a full electoral program, constituted an important reference point for SYRIZA politicians (Martens, 2015). The party leader has repeatedly referred to “The Thessaloniki Program,” whether in December 2014 on the pages of the *Avgi* party newspaper (Martens, 2015) or during the inauguration of the election campaign on January 3, 2015 (Wehr, 2016, p. 91). In doing so, he argued that after taking power, the first step would be to implement the commitments made. At the same time, he excluded the possibility of negotiating their content.

The success of SYRIZA’s election was not a surprise. It was announced by the European election won in May 2014 (the party received then around 26.6% of the vote, which gave it 6 seats). Greek citizens voted for a party, “whose message was hope and change” (Ovenden, 2015, p. 14). However, the choice of Greeks was not positively received among the majority of European leaders.

In Germany, the results of the vote in Greece were received with concern. The President of the German Federal Bank Jens Weidmann expressed the hope that “the new Greek government will not make promises it cannot keep and the country cannot afford” (How, 2015). British Prime Minister David Cameron said that “the Greek election will increase the economic uncertainty across Europe” (How, 2015). In addition to the turmoil in the euro area, Germany and the United Kingdom (the UK) were also concerned about the growing importance of the Eurosceptic forces in these countries, respectively: Alternative for Germany (AfD) and the UK Independence Party (UKIP) (Greeks, 2015). In turn, the French President, François Hollande, in his cautious statement, expressed his willingness to “continue close cooperation with Athens, in the service of growth and the stability of the eurozone” (*Syriza’s*, 2015).

Table 1

**The four pillars of the National Reconstruction Plan as a part of the so-called
“The Thessaloniki Programme”**

1. Confronting the humanitarian crisis (total estimated cost 1,882 bn EUR)	2. Restarting the economy and promoting tax justice (total estimated cost 6,5 bn EUR)
The first pillar assumed the protection of the most vulnerable social strata by: <ul style="list-style-type: none"> – free electricity to 300,000 poorest households up to 300 kWh per month per family; – meal subsidies to 300,000 families without income; 	The second pillar assumed a recovery of the economy thanks to alleviation of tax pressure on the economy, relieving citizens from financial burdens and achieving liquidity and increasing demand. It provided:

<ul style="list-style-type: none"> – housing guarantees; – restoration of the Christmas bonus as thirteen pension to 1,262,920 pensioners with pensions up to 700 EUR; – free medical and pharmaceutical care for uninsured unemployed; – special public transport card for the long-term unemployed and living below the poverty line; – abolishing the alignment of a special consumption tax for heating and fuel. 	<ul style="list-style-type: none"> – abolition of the current unified property tax (ENFIA) and introduction of a tax on large property, as well as, a reduction of rent per m²; – restoring the tax rate on the annual income of 12,000 EUR and increasing the number of tax groups to strengthen progressive taxation; – reduction of indebtedness of individuals and enterprises; – restoration of the minimum wage to 751 EUR.
<p>3. Regaining employment (total estimated cost 3 bn EUR)</p>	<p>4. Transforming the political system to deepen democracy (total estimated cost 0 EUR)</p>
<p>The third pillar assumed an employment increase of 300,000 in all sectors of the economy and inclusion of the long-term unemployed, in particular those over 55 years and young unemployed by:</p> <ul style="list-style-type: none"> – restoring the institutional framework to protect employment rights, demolished by the Memoranda governments; – restoration of the so-called “after effect” of collective agreements, collective agreements themselves and arbitration; – abolition of the regulations allowing for massive and unjustified dismissals and renting of employees. 	<p>The fourth pillar assumed the implementation of the institutional process and democratic reconstruction of the state as well as the strengthening of direct democracy institutions through:</p> <ul style="list-style-type: none"> – creation of a regional organization of the state: increasing of transparency, economic autonomy and effective operation of municipalities and regions; – strengthening of the democratic participation of citizens through the introduction of: people’s legislative initiative, people’s veto and people’s initiative of referendum; – strengthening of the Parliament, limiting parliamentary immunity, abolishing the exclusion of parliamentarians from criminal responsibility; – regulation of the radio and television space: reconstruction of the ERT (Public Radio and Television).

Source: own evaluation based on: <https://www.syriza.gr/article/SYRIZA---THE-THESSALONIKI-PROGRAMME.html>.

On the other hand, SYRIZA’s victory was enthusiastically received by extreme, populist or eurosceptic forces who saw it as a chance for change or self-success. Pablo Iglesias Turrión, leader of the Spanish party Podemos, said in a voice of support that “2015 will be the year of change in Spain and Europe. We will start in Greece. Let’s go Alexis, let’s go!” (*Syriza’s*, 2015). In a similar tone the chairman of the French National Front, Marine Le Pen speaking of “the giant democratic slap in the face by the Greek people to the European Union” (*Syriza’s*, 2015). In Ireland, Sinn Féin chairman Gerry Adams argued that “Syriza’s victory opens a real prospect of democratic change not only for the people of Greece, but for citizens across the EU” (*Syriza’s*, 2015).

Moreover, the financial markets also reacted nervously for SYRIZA’s election victory. One day after the January election, a sharp decline in the euro exchange rate was recorded. The value of the European currency fell to 1.1098 USD, i.e. to the lowest level in over 11 years (Marlow, Chan, 2015).

At the same time, the newspapers emphasized the success of the relatively recently formed SYRIZA and its charismatic leader, who was soon to become the youngest Greek Prime Minister since 1865.

The political origins of SYRIZA (Greek: *Synaspismós Rizospastikís Aristerás*) date back to 2001–2004. At that time a multi-party coalition was formed, comprising left-wing and radical left-wing parties such as: the Renewing Communist Ecological Left (AKOA), the Internationalist Workers Left (DEA), Active Citizens (EP), the Movement for the United in Action Left (KEDA) and the Coalition of the Left, of Movements and Ecology (*Synaspismós*, SYN) (Winiewska, Stolarek, 2016, p. 17). After the parliamentary elections in 2004, in which the coalition received less than 3.3% of the votes, a dispute took place within it, as a result of which SYN decided to take an independent start in the elections to the European Parliament.

The process of re-merging the alliance and its modernization has intensified after the election of Aleksandros Alavanos as the new chairman of the SYN. His announcements regarding the opening to the new generation, contributed to the increase in the recognition of A. Tsipras, who in 2006 became the coalition candidate in the election of the mayor of Athens (he took third place with 10.5% of votes) and in 2008 the chairman of SYN and SYRIZA. Despite the change in leadership, there was no breakthrough in the parliamentary elections held the following year, and SYRIZA won only 4.59% of votes. It was only the year 2012 that brought the expected changes.

In the election held in May, SYRIZA received 16.79% of the vote, taking second place after the center-right New Democracy (*Nea Dimokratia*, ND) led by A. Samaras. The unsuccessful attempt to form a government has led to the next elections, which took place on June 17. As a result, a coalition government of the New Democracy, the Panhellenic Socialist Movement (Greek: *Panellinio Sosialistiko Kinima*, PASOK) and the Democratic Left (Greek: *Dimokratiki Aristera*, DIMAR) was formed, leaving SYRIZA as the greatest opposition force.

The congress, called “founding,” held in the following year, 10–14 July and was the first congress of SYRIZA as a single party (See *SYRIZA*, 2015).³ The next two years were the already mentioned success in the European elections in May 2014 and the victory in the Greek parliamentary elections in January 2015. The detailed results of voting in the years 2004–2015 are included in the table (Table 2).

Table 2

Votes cast for SYRIZA in the Greek parliamentary elections held in 2004–2015

Election date	Party leader	Number of seats	Percentage result	Number of votes	Election place
20.09.2015	Tsipras Alexis	145	35.46	1,925,904	1
25.01.2015	Tsipras Alexis	149	36.34	2,246,064	1
17.06.2012	Tsipras Alexis	71	26.89	1,655,042	2
6.05.2012	Tsipras Alexis	52	16.79	1,061,929	2
4.10.2009	Tsipras Alexis	13	4.59	313,231	5
16.09.2007	Alavanos Alexandros	14	5.04	361,101	4
7.03.2004	Konstantopoulos Nikolaos (since 12.12.2004 Alavanos Alexandros)	6	3.26	241,714	4

Source: own evaluation based on: <https://www.hellenicparliament.gr/en/Vouli-ton-Ellinon/To-Politevma/Ekloges/Eklogika-apotelesmata-New/#Per-16>.

³ Since the beginning, it functioned as a multi-party coalition. In May 2012 SYRIZA was registered as a party – SYRIZA Unitary Social Front.

The atmosphere after the triumph at the beginning of 2015 was not euphoric. First of all, it was related to the tiredness of the Greeks due to years of sacrifices caused by the financial crisis, as well as the winter time that did not serve public celebrations, and also, the lack of surprise as the victory of SYRIZA was overwhelmingly expected, especially after the unsuccessful anti-immigration and anti-Communist campaign of A. Samaras (Ovenden, 2015, pp. 13–14).

Immediately after the election, A. Tsipras promised to restore international credibility of Greece and put an end to the “vicious cycle of austerity” (Weaver, 2015), which in his opinion was harmful to both, the society and the Greek state. Also, he confirmed the willingness to break cooperation with the “troika” and oppose its dictate, treating it as a part of the outright dispute between the rich and poor EU countries (Wiśniewska, Stolarek, 2016, p. 18). At the same time, he emphasized that the demand to support Greek economy was a mandate of EU resulting from the ideas of European unity and solidarity (Wiśniewska, Stolarek, 2016, p. 18).

After the swearing-in of the coalition government, co-created with the national-conservative party of Independent Greeks (Greek: *Anexartitoi Ellines*, ANEL) negotiations began with the “troika” concerning the relief of the conditions of financial bailout, which were requested by the EU in exchange for the loan of 7.2 billion EUR. The funds obtained were to be used to repay Greece’s obligations towards the International Monetary Fund (IMF). At the same time, at the beginning of February, A. Tsipras and finance minister Yanis Varoufakis began independent diplomatic travels. They went among others to Rome, Paris, Brussels, London and Berlin. However, these were not just regular visits of representatives of the newly formed government, as their aim was to persuade EU politicians to move away from the course of reforms and savings and to work out the compromise on Greek debt. These visits did not bring the expected breakthrough. At the end of February, the Greek government was forced to accept previously rejected conditions of assistance. Thus, the financial support was prolonged for another four months. The government in Greece wanted to conceal its defeat, hence talked about the agreement not with the “troika,” but about the conditions set by the “Brussels group.”

The development of the agreement seemed even more so important because Prime Minister Tsipras and his colleagues stressed the possibility of an alternative solution – namely the exit of Greece from the eurozone. Such a scenario could have destabilized the European financial markets and caused serious political consequences, which raised concerns in Europe, in particular in Germany (Koszel, 2015, pp. 16–17).

However, despite the passage of months, the most important demands of the creditors concerning, among others: tax increases and pension restrictions, have remained unfulfilled. The situation became even more tense, when at the end of June, after an extraordinary meeting of the Greek government, A. Tsipras announced in a television speech to the nation, a July referendum concerning the terms of financial support. Thus, it became clear that Greece would not be able to pay the overdue installment to the IMF of 1.6 billion EUR and it will be necessary to extend the date of the new agreement with creditors (previously with the European Financial Stability Facility, EFSF expired at the end of the month). At the same time, on June 29, 2015, the Greek government officially approved a temporary closure of banks and the stock exchange,

and limited the option of daily withdrawals from ATMs to 60 EUR (this did not apply to payment cards of foreign banks used by tourists). Transfers of capital abroad have also been prohibited. All this would limit the mass withdrawal of deposits from the Greek banking system (*Grecki*, 2015).

On July 5, 2015 the ruling celebrated another victory (Landmesser, 2016). In the referendum, which was the pressure measure on the Eurogroup, 61.31% of Greeks opposed the conditions of foreign support.⁴ After announcing the results, A. Tsipras argued that this decision of voters did not give him a mandate to rupture with Europe, but to strengthen the negotiating position in order to find a viable solution (Papadimas, Maltezou, 2015). At the same time, Yanis Varoufakis, a Greek Finance Minister, unpopular among European leaders, resigned from his position (he was replaced by Euklid Tsakalotos). Furthermore, the government in Greece began preparations for new talks concerning financial support for the country.

The long-term negotiations with the EU Finance Ministers and then the leaders of the euro area Member States, held on July 11–12, 2015, ended with a preliminary agreement, defined by the President of the European Council Donald Tusk as “agreement.” Difficulties in reaching the consensus resulted mainly from the hard negotiations assumptions of both sides and from distrust of the Greek Prime Minister. However, it was understood how important the compromise was for the future in Europe and the euro area. Ultimately, in exchange for financial assistance,⁵ Greece had to commit to immediately adopting the first legislative package, including: the improving of the VAT system and extending the tax base, reforming of the pension system, ensuring ELSTAT’s full legal independence, developing of the program of quasi-automatic cuts in budget expenditure, adopting of the Code of Civil Procedure and the implementation of the Bank Recovery and Resolution Directive (*Euro*, 2015).

In July, Greece received loan under the European Financial Stabilisation Mechanism (EFSM) amounting to 7.16 billion EUR, which allowed it to repay its debts to the IMF and installment to the European Central Bank (ECB). On August 14, the terms of the new programme for Greece from the European Stability Mechanism (ESM) were approved. The third support package, estimated at 86 billion EUR, was planned for three years – until August 2018 (in general, funds transferred to Greece under the so-called support packages are presented in the table 3).

The reforms and measures under the aid programme should lead primarily to: restoring fiscal stability and protection of financial stability in the country, stimulating economic growth and employment, as well as modernization of the government sector. The first tranche of the ESM programme, worth 26 billion EUR, was made available on August 19, 2015, after its approval by the ESM Management Board.

In September 2015 SYRIZA won the next parliamentary elections. Early elections were scheduled after Prime Minister A. Tsipras, resigned from his office on August 20, 2015. The main reason of his decision was the dispute within the party ranks and

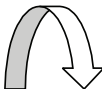
⁴ The turnout of the referendum reached 62.5%.

⁵ At the Euro Summit, Greece’s financial needs were estimated under the assistance programme of 82–86 bn EUR. The urgent support of 7 bn EUR was planned for July 20 and the additional 5 bn EUR by mid-August.

the lack of acceptance for the reforms and savings plan. The re-election confirmed public support for the Greek government's policy. This situation changed at the end of the year, when the accepted commitments forced the government to introduce painful reforms. It caused an intense wave of strikes, the first one since SYRIZA took power. Greek citizens showed their opposition to the austerity policy, the introduction of new taxes and changes in the insurance and pension system.

Table 3

**Financial resources transferred to Greece under assistance programmes in 2010–2018
(April 2018)**

THE FIRST FINANCIAL ASSISTANCE PROGRAMME TO GREECE (2010–2013)				Assets transferred to the second package
Sources	Assets committed	Assets disbursed		
EU Member States	80.0 bn EUR	52.9 bn EUR		24.4 bn EUR
IMF	30.0 bn EUR	20.1 bn EUR		9.9 bn EUR
In total	110.0 bn EUR	73.0 bn EUR		34.3 bn EUR
THE SECOND FINANCIAL ASSISTANCE PROGRAMME TO GREECE (2012–2014)				
EFSF	144.5 bn EUR	130.9 bn EUR		
IMF	19.1 bn EUR	11.8 bn EUR		
In total	163.6 bn EUR	142.7 bn EUR		
THE THIRD FINANCIAL ASSISTANCE PROGRAMME TO GREECE (2015–2018)				
ESM	86.0 bn EUR	45.9 bn EUR		

Source: <http://www.consilium.europa.eu/en/policies/financial-assistance-eurozone-members/greece-programme/timeline/>; <https://www.tagesschau.de/wirtschaft/rettungspakete-101.html>.

In spite of the difficult situation in the country, in January 2016, during the World Economic Forum in Davos, the Greek Prime Minister argued about the need for further actions and structural reforms. Such an attitude of A. Tsipras was positively received by European partners, as it was a manifestation of a Greek government gradual departure from the policy of idealists towards the policy of realists (Landmesser, 2016).

However, the situation in Greece remained tense. In January and February, farmers protested against the increase in pension contributions, blocking the main roads and crossings on the border with Bulgaria and Macedonia.

At the beginning of May, before the vote on the package of reforming acts, which assumed the reduction of pensions (on average about 15%) and tax increases, mass protests took place throughout Greece. Representatives of the largest trade unions in the country (ADEDY, GSEE) called for them. The functioning of railways, ferry lines and public transport in Athens and other cities was suspended. Also the municipal services did not work for three days of the strike. Public schools were closed and only music and films were broadcast on the radio and television (*Proteste*, 2016). Finally, the Greek parliament passed austerity package. These reforms were to bring about 3.6 billion EUR in savings and were one of the requirements for further support from creditors.

On May 24, 2016, the Eurogroup approved an agreement on the first verification of the adjustment programme, which enabled the payment of the second tranche of financial support from the ESM (it was still necessary to obtain the consent of the ESM and the euro area Member States).

In the evaluation report issued on June 9, 2016 the European Commission generally positively assessed the implementation of the programme by the Greek government. Thus, it confirmed the possibility of making available another part of financial assistance allocated for servicing debt and clearing the domestic arrears (*Timeline*, 2018). On June 17, 2016, the ESM Board of Directors approved a second tranche of financial support in the amount of 10.3 billion EUR. At the same time, because of the fulfillment of all preliminary tasks by the Greek government, ESM accepted the first tranche, i.e. 7.5 billion EUR (*Timeline*, 2018).

At the beginning of the September during the meeting of the Eurogroup, Greek Minister of Finance E. Tsakalotos, confirmed the Greek government's readiness to complete the agreed tasks relating to "privatisation, energy sector reform, bank governance and the establishment of the revenue agency" (*Timeline*, 2018). The fulfillment of these conditions was necessary to pay the next batch of aid from the ESM.

Due to the completion of required tasks, the payment of another two sub-tranches worth 2.8 billion EUR was granted in October: 1.1 billion EUR (for debt servicing needs) and 1.7 billion EUR (for paying back arrears).

On December 8, 2016, the Eurogroup approved a series of short-term reliefs for Greece debt (formally adopted in January 2017) consisting of: extension of repayment period up to 32,5 years, resignation in 2017 from part of interest and reduction of interest rate risk (*Eurogroup*, 2016).

However, they were frozen in December due to the announcement by the Greek government of additional pensions for the poorest (in the amount of 617 million EUR) and the exemption of the Aegan Islands from the planned increase of VAT (due to the ongoing refugee crisis). Decisions of the Greek authorities were made without prior consultation with creditors, which was criticized, especially by the German Finance Minister Wolfgang Schäuble and the President of the Eurogroup Jeroen Dijsselbloem (*Schuldenkrise*, 2016). They were also one of the topics discussed by Prime Minister A. Tsipras with German Chancellor Angela Merkel, held in Berlin on December 16, 2016. The Greek Prime Minister argued that the forecasts for the growth of his country's economy were positive: in 2017 the growth should amount 2.7%, in 2018 – 3.1%. He also assured that "Greece no longer wants to be the part of the crisis, but should become part of its solution" (*Pressstatements*, 2016).

From the beginning of 2017, the Greek authorities had talks with creditors in order to reach an agreement that would trigger the payment of the next batch of support. The main task was to ensure a pro-equilibrium balance of public finances in the country (for 2018 and beyond) and labor market reform.

In May 2017, the Greek Parliament adopted another package of austerity reforms, providing for a further reduction in pensions and the abolition of many social benefits. The adopted reforms were the conditions for obtaining the third tranche of financial aid amounting to 8.5 billion EUR. On June 15, 2017, the payment of support was approved by the Eurogroup. The first sub-tranche of 7.7 billion EUR was disbursed

within ESM on July 10, 2017 (6.9 billion EUR was spent on debt servicing, 0.8 billion EUR on clearance of arrears).

An important event was the completion of the excessive deficit procedure against Greece by the EU countries. Greece was under this procedure since 2009, when the deficit reached 15.1% of GDP (the EU reference threshold for public finance deficits is 3% of GDP). The decision of September 25, 2017 was made possible by the introduction of an unprecedented reform package by the Greek authorities, in particular those involving expenditure cuts and consolidation of general government revenues. The deficit in 2015 fell to 5.9% of GDP and in 2016 changed to a surplus of 0.7% of GDP. Despite the deficit forecasted by the Commission in 2017 (1.2% of GDP) an improvement in fiscal prospects in 2018 was assumed – a surplus of 0.6% of GDP (*COUNCIL*, 2017).

On October 26, 2017, the ESM Board of Directors agreed to release to Greece, the remainder of the third tranche under the third support programme. This disbursement amounted to 0.8 billion EUR and was intended for the clearance of arrears. At the same time, talks were held to work out the agreement of the Eurogroup regarding the third verification of the economic adjustment programme in Greece. The payment of the next – fourth tranche of financial assistance from the ESM in the amount of 6.7 billion EUR (*Timeline*, 2018) depended on the completion of activities related to the revision of social benefits, labor market reforms, public administration, implementing the strategy for non-performing loans, energy reforms and privatisation.

Adopted in mid-January 2018, a huge reform package referred to in Germany as *Mammut-Paket*, included more than 400 statutory amendments (Kadritzke, 2018). They concerned, among other things, the implementation of an electronic system of enforcement obligations to the state and banks, restrictions on family benefits, impediments to announcing a strike (consent of 50% of trade union members – instead of the current 20%) and deregulation of professions. Voting on the reform package has caused a huge wave of dissatisfaction among Greek society. More than 20,000 people protested against it outside the parliament in Athens. Finally, the reforms were passed (154 votes for, 141 against), which enabled, on January 22, 2018, the subsequent positive verification of the economic adjustment programme carried out by the Eurogroup and the launch of the next tranche under the third support programme.

On March 27, 2018, ESM approved a fourth tranche of 6.7 billion EUR (initially a sub-tranche of 5.7 billion was made available and further payment of 1 billion EUR was due after May 1, 2018).

The current, third financial assistance programme for Greece, planned for 86 billion EUR expires on August 20, 2018 (forecasts show that it will probably not be necessary to pay the entire planned amount). Representatives of the Commission and EU Member States welcome the efforts made by the Greek government, which has made significant steps towards rebuilding the country's economy and becoming independent from EU support.

However, the implementation of the painful reforms and budget cuts, despite the pre-election promises of A. Tsipras, met with great social dissatisfaction in Greece and led to a dispute within SYRIZA. In addition, to the discussed issues of recovering from the debt crisis, the internal crisis in the country is undoubtedly influenced

by the refugee crisis (the issue of relocation of refugees, border protection, fight against smuggling of migrants), as well as the recent tensions between Greece, Cyprus and Turkey regarding the exploitation of deposits in Cypriot waters and the Macedonian conflict.

April 2018

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Summary

In the paper, the author analyses three years of the rule of the left-wing SYRIZA in Greece. She discusses the basis of the party's historical victory in the parliamentary elections in 2015. In addition, she analyses the course of negotiations with Greek creditors regarding the third economic adjustment programme for Greece. She also points out the necessity of gradual resignation from anti-austerity agenda and social reactions against introduced reforms. In the final part, the author of the paper outlines the current challenges of the Greek government.

Key words: Greece, SYRIZA, Alexis Tsipras, financial crisis

Grecja pod rządami SYRIZY a Unia Europejska

Streszczenie

Autorka w artykule poddaje analizie trzy lata rządów lewicowej SYRIZY w Grecji. Omawia podłoże historycznego zwycięstwa partii pod wodzą Aleksisa Tsiprasa w wyborach parlamentarnych w 2015 r. Ponadto analizuje przebieg negocjacji z greckimi wierzycielami dotyczącymi III programu pomocowego. Zwraca też uwagę na konieczność stopniowego odchodzenia od sprzeciwu wobec polityki oszczędności oraz reakcje społeczne na wprowadzane reformy. W końcowej części, autorka pracy wskazuje na bieżące wyzwania rządu greckiego.

Słowa kluczowe: Grecja, SYRIZA, Aleksis Tsipras, kryzys finansowy