

# Greek workers must resist the dictatorship of finance capital

'National unity' government will pursue same austerity measures

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**G**reek prime minister George Papandreou has been forced to leave office. His Pasok government will be replaced by a 'national unity' coalition government. This new Pasok/New Democracy 'austerity coalition' will agree a bailout package which entails yet more punishing cuts that are driving millions of Greeks into poverty.

Papandreou was forced to stand down after days of upheaval caused by his decision - now revoked - to hold a referendum on the European Union (EU) plan to bail out debt-ridden Greece. Possible new prime ministers include candidates with proven austerity cuts reputations - Lucas Papademos, a former deputy president of the European Central Bank, and finance minister Evangelos Venizelos. The new coalition government is due to step down for new elections, likely to be held next February.

The deal agreed, last month, with the European Central Bank (ECB), EU and International Monetary Fund (IMF) - the 'Troika' - would give the indebted Greek government €130 billion, see a 50% write-off on private holders of Greek debts, and bring in yet more deeply unpopular austerity measures.

Troika policies have already shrunk the Greek economy by a staggering 15% over the last three years. The Pasok government passed a series of laws under the directives of the Troika that has pushed two-thirds of Greek people into poverty.

The salaries of public sector workers have been cut by about 50% (compared to what they were at the beginning of 2010) and the minimum 'legal' wage will go down to €500 a month. But even this, with 'collective bargaining' abolished, is not binding to the employers.

Over 40% of youth are unemployed. The Troika demands that 250,000 people be sacked from the civil service - more than one-third of the workforce.

Public services are taking a battering. The number of hospital beds has already been reduced by 30% and a further 20% reduction is intended.

Children go to school complaining of hunger, with some fainting in class. Even the previously relatively well-off 'middle layers' are now being driven into deprivation.

Papandreou made his desperate referendum proposal because the resistance of the Greek people to his cuts policies is so overwhelming. He saw that the Pasok government was in danger of total collapse.

On 19 October, Greece saw the biggest 48-hour general strike and trade union demonstration in its post-war history. On 28 October, an annual day of "national pride" and parades commemorating Greece's resistance to occupation during World War Two, turned into angry anti-government demonstrations.

Papandreou's referendum was an attempt to blackmail the Greek people, by putting to them, 'you either vote for the 26 October bailout or Greece goes bankrupt, leaves the eurozone, and you will all go hungry.'

But the former Greek prime minister's referendum plans soon came under enormous pressure from EU leaders, particularly Germany

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and France. They denounced the referendum believing it would see the Greek crisis spread to other EU economies, particularly vulnerable Italy.

In an act of blackmailing of their own, the German Chancellor Merkel and French president Sarkozy demanded that the referendum should be held on whether Greece wanted to be part of the EU or not. The next tranche of Greece's existing bailout was also put on hold, to exert extra pressure on Papandreou to drop his proposal.

## Public opinion

There were huge divisions inside the ruling Greek Pasok party over the referendum plan, with finance minister, Evangelos Venizelos, and other key figures from the government, publicly opposing it and stating on 4 November that the referendum is scrapped. After these fatal political blows, Papandreou survived a no-confidence vote in parliament on 4 November but was forced to resign a day later. This was the price demanded by the opposition right-wing New Democracy party to agreeing to form a 'national unity' government.

Greek workers and the middle classes also came under relentless propaganda pressure from the EU, Greek bosses and media over the referendum. They were told that unless they accept more new cuts, Greece would be forced out of the eurozone and the EU, and would suffer an even greater collapse of living standards.

The main Left parties, like the KKE (Greek communist party) and Syriza (a broad left party) did not put forward a viable alternative to this ferocious pro-capitalist propaganda assault.

All this has had an impact on the outlook of Greek people. Opinion polls showed that a large majority of Greeks were against holding a referendum. Actually moods changed after the massive propaganda by the ruling class and its mass media.

A large majority, over two-thirds, also favoured staying in the eurozone and not more than about 15% stated that they prefer to leave (a number of different telephone polls were held, so there is no accurate figures, but the trends are the same in all).

These poll results are really an expression of desperation in desperate times - a 'hope against hope' that

somehow a new coalition government will find a way out of Greece's deep economic crisis.

In truth, most workers see no end to the crisis or cuts and any illusions sections of the population have in the new coalition will most likely be short lived. Recent polls show that consistently 90% of the Greek people are against Pasok government cuts - policies which will be continued by the 'national unity' government.

Greek workers have shown many times since the crisis began in 2008/09 that they are willing to fight-back against cuts and for an alternative to the crisis-ridden system. Over a dozen general strikes have taken place over two years, as well as student strikes, sit-ins and occupations of public buildings and schools, and mass non-payment campaigns against unjust taxes.

But the bureaucratic, conservative trade union leaders have not used the huge power of the organised working class to step up mass resistance to decisively finish off the Pasok government, to halt all cuts and to strive for a government of working people.

The union tops only called for action in the last 18 months under the intense pressure of the masses - they have no plan or strategy to win, let alone an alternative political programme.

## Trade unions

Since 19 October, occupations and sector-based strikes have receded. But this does not mean an end to industrial mass struggles, just a temporary pause after months of hectic strike and other mass activities.

Youth and working people may now look to other forms of mass resistance. The mass non-payment campaigns against household taxes can take on new life, as can mass protests over environmental issues. The new wave of cuts promised by the 'austerity coalition' means that class struggle is inevitable including new rounds of industrial action.

Some unions, involving council workers, primary school teachers, railway workers and the telecommunications workers, fought more determinedly and have broken their connections with Pasok. A section of the union movement is moving in a more radical, combative direction.

Although these unions are splitting away from Pasok, their leaders are not giving their members a clear and bold plan of action. The CWI in

Greece (Xekinima) appeals to the rank and file workers of these unions to make a definitive break from Pasok and to help build a new workers' party, on bold socialist policies.

## Socialist alternative

In the new political situation, the parties of the Left have a unique and historic opportunity to grow and to play a decisive role. But to bring about the kind of fundamental changes that are required to provide real and lasting solutions to the deep problems faced by the Greek workers and the whole of society, requires the Left adopting a socialist programme and to fight decisively for system change.

Up until now, the main, traditional parties of the Greek Left - the KKE and SYN (Synaspismos - Coalition of the Left of Movements and Ecology) - have refused to move in this direction. The need to build and develop the mass movements, and to build new forces of the Left, with radical, socialist policies, is more starkly posed than ever.

Xekinima opposes the new 'national unity' government of Pasok and New Democracy. This will be a coalition of yet more deep cuts and poverty. We say, do not pay the debt and no more cuts!

Xekinima calls for a government representing working people, the impoverished middle classes, the poor and youth.

A workers' government would mean jobs, affordable housing, a properly funded education and health service. It would take the major planks of the economy into democratic public ownership and control, for the benefit of the overwhelming majority not the wealthy elite.

We reject the argument that Greeks must endure the destruction of their living standards so as to remain in the eurozone.

We also argue against sowing illusions in a so-called 'progressive and sovereign national currency policy' that sections of the Greek Left put forward. There are no solutions on a national and capitalist basis.

We call for genuine internationalism - for a workers' alternative to capitalist crisis and austerity across Europe. Only with the prospect of common struggle with the workers in the rest of Europe can we find an alternative to the Europe of big capital, the bankers and the IMF and fight for a socialist Europe.

## The Committee for a Workers' International

The Committee for a Workers' International (CWI) is the socialist international organisation to which the Socialist Party is affiliated.

The CWI is organised in 45 countries and works to unite the working class and oppressed peoples against global capitalism and to fight for a socialist world. For more details including CWI publications write to: CWI, PO Box 3688, London E11 1YE. email [cwi@worldsoc.co.uk](mailto:cwi@worldsoc.co.uk)

## www.socialistworld.net

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## USA: Another victory for 'Occupy Seattle'

Tents back up as the Occupy Wall Street movement scores another big victory.

*Patrick Ayers, Socialist Alternative, (CWI, USA)*

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Government's policies will plunge society into Greek-style crisis.

*Video of Joe Higgins, Socialist Party member of the Irish parliament*

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Opposition activists, led by LSR, contest elections in the sanitation workers union.

*Liberty, Socialism and Revolution (LSR) reporters (CWI, Brazil)*