Greek workers mount eighth general strike

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Workers in Greece took part in a general strike Wednesday to protest the austerity measures being imposed by the social democratic government of Prime Minister George Papandreou.

The strike was called by the General Confederation of Greek Workers (GSEE) and the public sector umbrella organisation, the Civil Servants' Confederation federation (ADEDY). The federations represent about 2.5 million workers, half the Greek workforce. The stoppage was the first general strike called by the federations this year and the eighth called since the Papandreou government began its austerity programme in the autumn of 2009.

The Panhellenic Socialist Movement (PASOK) government is implementing an unprecedented package of cuts after an agreement with the European Union (EU) and International Monetary Fund (IMF) giving access to a €110 billion loan. In the last week it was revealed that a €50 billion privatisation programme, including the sale of swathes of public land and assets is to be carried out with immediate effect.

The strike halted trains, ferries and most public transport across the country. Urban bus and trolley employees and members of the Panhellenic Seamen's Federation supported the action. Athens airport was severely hit as more than 100 flights were cancelled due to an air traffic controllers strike from noon to 4:00 p.m. Workers employed in public utilities and organisations (DEKO) struck, as did public hospital doctors, teachers, journalists, ambulance drivers, pharmacists, lawyers and tax collectors. Thousands of small businesses participated in the strike. Tens of thousands of small firms went bust in the last year and Greece's retailers' association, ESEE, has estimated that a further 120,000 small businesses will go bankrupt in 2011.

Over 60 protests were held in towns and cities nationwide, according to the GSEE. In Athens more than 30,000 people marched to the Greek parliament, chanting, "Don't obey the rich. Fight back!" A 27-year-old worker, Thanos Lykourias, told Reuters, "We can't take it anymore. I have been looking for work for many months while others are eating with golden spoons."

Around 15,000 workers demonstrated in Thessaloniki, Greece's second city.

Riot police were employed across the capital and fired tear gas and flash grenades on several occasions. More than 3,000 police officers were mobilised in Athens. According to an AP report, at least two people were injured and another three arrested.

Strikes and protests have been on-going since the turn of the year. Transit workers have held a series of strikes and work stoppages since December. On February 15, transit staff staged a 24-hour strike in protest at a parliamentary bill aimed at restructuring state-run transport companies, resulting in privatisations and large scale job losses. The transport minister, Dimitris Reppas, threatened striking workers with the "full force of the state" if they did not return to work.

A growing number of people are refusing to pay the increasing cost of road tolls, hospital fees and public transport cost—which have increased by up to 40 percent on February 1. Hundreds of people have been involved in occupations of road tolls nationally.

Over the past year some 850 protests have been held in Athens alone, a rate of nearly three a day. But opposition has been continually demobilised and headed off by the trade union bureaucracy, who are themselves high ranking members of the governing party. The role of the unions, supported by the various pseudo left groups including SYRIZA and Antarsya, has been to call the occasional general strike every few months to allow the growing anger of workers to be dissipated. The favoured strategy of the bureaucracy has been to call a 24-hour general strike to coincide with the passage of further austerity measures in parliament.

The latest action began *the day after* the passage through parliament of legislation that will privatise and deregulate the so-called "closed professions". The bill abolishes regulations on 150 professions including workers in public transport, pharmacists, civil engineers, doctors and lawyers. This has been demanded by the IMF and EU as a condition of access to further loans, without which the government would default on its astronomical public debt of more than €300 billion.

The government is well aware of the loyal role of the unions. Earlier this month Haris Tsiokas, a senior transport ministry official, called on the unions to continue negotiations with the government, saying, “Let’s put an end to this hypocrisy, there’s no alternative to reform.”

The passage of the privatisation law coincided with a visit by Papandreou to Berlin for talks with German Chancellor Angela Merkel. Greek Finance Minister Giorgos Papaconstantinou and his counterpart Wolfgang Schauble also held talks. The purpose of the visit was an attempt to win German support for an improvement in the terms of the loan from the EU/IMF. As well as seeking to extend the period when loans can be paid back from three years to 10 or 11 years, Athens is also looking to cut its interest payment to below 5 percent. The Papandreou government has endorsed the German-French proposal for a “competitiveness pact” in the European Union, based on demands for an end to inflation-linked wage rises and increased retirement ages.

Merkel refused to commit to support for Greece proposals at this stage, stating that “Greece has started to put its house in order. We have been watching this with satisfaction because we know that this requires political boldness.” However, she added, “I believe that there are still some more things for Greece to do and the more decisive that it is in following the necessary policies, the more Germany will believe that it can succeed.”

In reply Papandreou groveled, “Angela, I want to thank you very much for what you have done, your support and your friendship.”

Referring to the talks, the *EU Observer* web site commented, “Greek diplomats said they are confident that the repayment period will be extended to 10 or 11 years, but are not as sure that the Berlin paymaster will accede to a lowering of the five percent interest paid on the sum.”

A measure of the stranglehold that the international financial elite has over the Greek economy can be gauged from the measures announced last week by EU and IMF officials visiting Athens. Without even going through the formalities of allowing the government to announce the measures themselves, the officials stated that Greece plans to raise €50 billion from privatisation sales over the next four years in a bid to cut its public debt and avert a sovereign default.

Poul Thomsen, IMF deputy director for Europe, said, “The programme is at a critical juncture. … It is broadly on track but it will not remain on track without a significant acceleration of reforms.”

An inventory would now be compiled to be completed by midyear and would include offers to investors to buy equity stakes in public utilities, concessions to operate regional ports and airports and seaside land that could be developed for tourism.

In a joint press conference the officials warned, “A critical mass necessary to ensure fiscal sustainability and economic recovery” had not yet been achieved.

The announcement embarrassed the government, which had only publicly committed to bringing in €7 billion through privatisations under the EU/IMF agreement. While complaining that the IMF and EU were not entitled to announce such policies, with Papandreou even calling the statements “unacceptable”, his government has secretly already accepted the €50 billion privatisation agenda. Even before the announcement it was preparing the sale of state gas, electricity and water companies.

Privatisations will now need to be vastly accelerated. An article on the *EU Business* web site noted, “An unofficial document released by the finance ministry immediately after the conclusion of a joint EU-IMF-ECB news conference Friday said a ‘portfolio’ of assets worth ‘at least 50 billion euros’ would be created for exploitation.”

Lauding the planned sell-off, the *Wall Street Journal* noted that “the total sell-off equates to an eye watering 22% of Greek GDP. Listed and unlisted companies, as well as land: lots of land.”

Even if these measures are imposed at a massive cost to the social position of the working class, it is now being openly acknowledged in leading economic circles that Greece will be forced to default on its debt shortly. Greece’s public debt is forecast to peak at the unsustainable level of more than 150 percent of GDP in 2014, according to current forecasts.

This week it was announced that by September 31, 2010, total debt had already reached €340.2 billion (147 percent of GDP). This compared with €298.52 billion at the end of 2009. Last year the economy contracted by 4.5 percent. Unemployment has risen to an official rate of 13.9 percent, while youth unemployment stands at 35.6 percent.