## Papandreou pledges Greek government of national unity

Chris Marsden 5 November 2011

Greek Prime Minister George Papandreou survived a vote of no confidence last night, but only by pledging immediate moves to form a national unity government.

Papandreou won by 153 votes to 145, after insisting to parliament that the agreement signed with the "troika"—the European Union, the IMF and the European Central Bank—for a package of 110 billion euros of bilateral loans must be accepted.

Not to do so would be "catastrophic", he argued. To secure its passage he proposed a new national coalition. He would visit the president today to inform him "that I am moving forward with all the parties for a broader coalition government," he said.

Papandreou will reportedly step down in favour of his finance minister, Evangelos Venizelos.

Pasok will now join with smaller parties in the 300-seat parliament to give it a larger majority—of a possible 180 seats. The coalition will not include its right-wing opposition, New Democracy, which demanded early elections.

A crucial lesson must be understood from the events of the past week. Every political development in Greece now proceeds at the behest of the financial speculators, the major powers in the European Union and the IMF.

Even the timing of the vote was determined so that the markets in Europe and the United States were closed to avoid any negative reaction.

On October 31, Papandreou announced his decision to hold a referendum on the austerity measures being demanded by the "troika" in return for the latest tranche of loans to pay Greece's debts to the banks.

His aim was only to create the best political conditions for imposing these measures. He wanted to force the opposition parties, including the right-wing New Democracy, and the trade unions to abandon their token opposition and rally behind a national effort to impose savage austerity. Back in July, he had already offered New Democracy leader Antonis Samaras to form a national unity government. The offer was rejected—precipitating a vote of no confidence. This time he

hoped for success.

Instead, he provoked a run on global markets—the largest two-day slide since 2008. Amid talk of contagion spreading to Italy, the G20 meeting in Cannes, France was thrown into crisis. George Soros, the billionaire speculator, warned of a Greek default and "a run on the banks in other countries as well. That's the danger of a meltdown."

Germany's Chancellor Angela Merkel and France's President Nicolas Sarkozy led demands that the referendum plan be ditched and froze the next eight billion euro tranche of loans to Greece. Merkel threatened that Greece's membership in the EU was on the line, "We would rather achieve a stabilization of the euro with Greece than without Greece, but this goal of stabilizing the euro is more important," she said.

Abandonment of the referendum was duly promised by Papandreou on Thursday and ratified Friday.

Much did happen as Papandreou had anticipated. Samaras abandoned his pose of opposition to the troika's demands, admitting in parliament that he had in fact agreed to the conditions of Greece's latest bailout on October 27 and insisting that parliament approve the austerity measures demanded by the EU.

But Samaras took a hard line against forming a government of "national responsibility" under Papandreou, demanding a caretaker government chosen by President Karolos Papoulias in preparation for early elections.

Papandreou also faced an escalating rebellion from within his own party—favouring his resignation and the formation of a national government.

Venizelos opposed the referendum and reportedly urged Papandreou to resign in cabinet. Energy Minister George Papaconstantinou called for "a broader government that takes on board other political forces" in order to secure "broader support and approval for the kind of measures that were taken."

Education Minister Anna Diamantopoulou urged

Papandreou to immediately begin forming a government of "national responsibility."

This demand was taken up by European Commission President Jose Barroso, who said he expected a government of national unity to approve the terms of the bailout, or Greece would run out of funds by December 15. "They're really on the verge of being unable to pay for their schools and hospitals," he said. "Obviously this is the type of situation that requires national unity."

Already by Thursday, Papandreou had made clear he was ready to fall on his sword, but insisted that Greece could not afford the political vacuum created by the immediate fall of the government.

The hostility of the entire range of official politics to working people reaches its high point in Greece. It is what government by the global financial oligarchy looks like.

From the standpoint of the elementary concerns of Greek workers for their jobs and livelihoods, there is no difference between any of the protagonists in yesterday's heated debate. Pasok, having won the confidence vote, will now ratify the austerity measures with the support of the opposition parties. If Pasok had fallen, however, then any newly elected government would have passed the same measures.

The greatest danger confronting workers is the absence of an independent perspective and leadership to take forward the necessary political struggle against the Greek bourgeoisie, its parties and its paymasters in the EU and IMF.

Massive opposition exists to Pasok and the troika's austerity agenda. But this has remained under the leadership of the two main trade union federations, ADEDY and the GSEE. They have limited workers to an endless round of one-day protest strikes, while refusing to wage the necessary political struggle to bring down Pasok.

The various ex-left formations have acted throughout as their political accomplices.

Syriza, the Coalition of the Radical Left, belatedly called for elections but it is now in the front rank of possible coalition partners for Pasok.

In all things it has acted as a loyal defender of Greece's "national interests". This reached its most craven expression following Papandreou's decision Tuesday to sack the heads of Greece's armed forces. Speculation was widespread that he had acted out of fear of a possible military coup. However, Syriza responded with a pledge of loyalty to the military, warning that the government's decision "gives the impression that it wants to create a highly politicized armed forces that it can control at a time of political crisis."

It called on the president not to approve the decisions until a new election was held. ANTARSYA, a smaller group of petty bourgeois tendencies, is now also calling for the fall of Pasok. But it opposes any challenge to the continued domination of the working class by the pro-Pasok trade unions. A statement for yesterday's protest in Syntagma Square insisted that it must have no "strictly protected party contingents" and should be "floated... by the workers and the young people, by the trade unions and the students' unions, by the peoples' assemblies and the various committees of struggle, by the parties and the organizations of the Left." [emphasis added]

The net result of such an opposition to politics is to enable the major parties of capital to dictate events.

The same situation holds true throughout Europe. Everywhere the demobilisation of the working class by the trade unions and their ex-left hangers-on hands the initiative to the bourgeoisie and their parties.

In Italy, for example, the government of Prime Minister Silvio Berlusconi could fail to secure a majority on November 15 and could even fall due to a vote next Tuesday on the budget due to a series of desertions by MPs. But should his government fall, Berlusconi would be replaced by parties committed to a more determined implementation of the demands for budget cuts.

In Spain a general election campaign, begun as official unemployment rose by 3.2 percent in just two months, reaching 4,360,926, sees the ex-Francoite Popular Party the likely winner of a historic landslide victory thanks to the collapse of the Socialist Party's support.

The working class is faced with life and death struggles in which the questions of leadership, programme and perspective are decisive. The entire gamut of political representatives of the financial elite must be brought down and replaced with workers' governments pledged to the unification of the European continent on socialist foundations. This is the standpoint of the International Committee of the Fourth International.



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