

Elections in Greece and France herald fresh social conflicts

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Sunday's elections have repercussions for all of Europe. The voting out of Nicolas Sarkozy in France and the devastating defeat of the ruling parties in Greece are an expression of broad opposition to the austerity policies laid down by the European Union. They herald a period of heightened social conflict and fierce political crisis.

The margin of nearly 4 percent with which the challenger, François Hollande beat the incumbent president in France, Nicolas Sarkozy, is relatively small. Nevertheless the change in personnel in the Elysée Palace represents a political turning point. There is only one occasion when an incumbent president failed to be reelected in the history of the Fifth Republic: Valéry Giscard d'Estaing in 1981. At that time, François Mitterrand became the first member of the Socialist Party to win the presidency. Now 17 years after the end of Mitterrand's presidency Hollande is just the second representative of the Socialist Party to take over the country's highest office.

Hollande is an experienced bourgeois politician whose program differs only in nuances from that of Sarkozy. He owes his election victory primarily to the support of supposedly left-wing organisations. These repeatedly sought to encourage the illusion that an alternative to the austerity policies of the EU was possible with Hollande.

The candidate of the Left Front, Jean-Luc Mélenchon, who received 11 percent of the vote in the first round, called for a vote for Hollande in the second round. He did so arguing this was the only way to unseat Sarkozy and bring about a change of policy. The same argument was employed by the New Anti-capitalist Party (NPA) and Workers' Struggle (LO), whose candidates received a combined total of nearly two percent.

In Greece, the conservative New Democracy (ND) and the social-democratic PASOK, who have ruled the country alternately since the end of the military dictatorship 37 years ago and jointly imposed the austerity

diktat of the EU, have been decimated. Compared to the last election three years ago ND fell from 2.3 million to 1.2 million votes. The votes for PASOK dropped from 3 million to 0.8 million. Together, the two traditional bourgeois parties received less than one-third of the votes cast. Although the ND has the greatest representation in parliament due to an undemocratic electoral clause that awards it an extra 50 seats, it still does not have enough support to form a government in the 300-seat parliament.

The Coalition of the Radical Left (SYRIZA) emerged as the real winner of the election and was able to triple the number of its voters from 315,000 to more than 1.1 million. SYRIZA leader Alexis Tsipras is working closely on an international basis with Mélenchon's Left Front and the German Left Party. Like them, he uses anti-capitalist rhetoric while supporting and defending the existing bourgeois institutions, including the European Union. During the campaign, he had always stressed: "We are not against the euro but we are opposed to the policies being pursued in the name of the euro."

On the far right, both the chauvinist Independent Greeks and the neo-Nazi Golden Dawn made significant gains, winning 11 percent and 7 percent respectively, based on nationalist demagoguery against the austerity policy of the ND-PASOK coalition.

As the second largest party SYRIZA now plays a central role in Greek politics and will be closely involved in the negotiations for a new government. ND leader Antonis Samaras, who according to the constitution was first asked to form a government, announced on Monday he was unable to form a viable coalition and the job has now passed to the chairman of SYRIZA, Tsipras. If a government with a working majority is not formed by May 17, then new elections must be held by June 17 at the latest.

The German government also suffered a severe defeat on Sunday. Angela Merkel's governing coalition of the

Christian Democratic Union and the Free Democratic Party, which previously governed in the northern state of Schleswig-Holstein, lost its majority to a coalition of the SPD, the Greens and a Danish minority party. The CDU lost one percent and the FDP 7 percent.

The election defeats for Sarkozy and Merkel together with the electoral upheavals in Greece augur a period of intense social conflicts. This was the conclusion drawn by the leading business papers, as well as the stock exchanges and financial markets, which have fallen considerably. On Monday morning the euro's exchange rate fell drastically and European share prices registered losses. At the same time the interest rates on the government bonds of southern European countries soared.

The *Frankfurter Allgemeine* described the Greek election results as a "warning sign": "The result is devastating for Greece and devastating for Europe."

The *Financial Times Germany* commented that the Greek people had "taken advantage of the election and voted on the savings plans of the government. The result is devastating and dangerous for Europe. In particular radical forces notched up big successes, those parties which reject a restructuring of the blatantly indebted country."

Handelsblatt wrote: "Together with the financial disaster Greece also threatens to unleash political chaos... This election was above all a vote based on anger." The paper warns: "The political earthquake expressed in this election is perhaps the harbinger of a social eruption that could quickly spread from Greece to other countries in crisis."

There is little doubt in these circles that Hollande, Mélenchon, Tsipras, etc., will bow to the dictates of financial markets. A comment in *Handelsblatt* noted "François Hollande, the Socialist who enthuses about the great growth packages will end up on the hard ground of reality in the first year of his term of office... It is the markets which will impose their will on the new president. And it will not be the president who tames the markets."

Mélenchon, a former member of the Socialists who is well aware of the party's subservience to the dictates of the markets, assured Hollande of his full loyalty. His comment on Hollande's electoral success reads like an application for a ministerial post. On his blog, he congratulated Hollande on his victory on Sunday. "I wish the best for both our president and our country," he wrote, and congratulated the "four million voters of the Left Front, whose votes have now brought about the decision."

The Left Front will work to ensure "that the election defeat of the right and the election of François Hollande leads to the victory of the far-reaching demands which are posed."

In the case of Tsipras and SYRIZA, the threat of state bankruptcy and expulsion from the EU was sufficient to bring them to order. "Tsipras is indeed radical in his rhetoric against the austerity policies," notes the *Frankfurter Allgemeine* smugly, "but he also speaks out against a withdrawal from the euro zone."

Organisations such as Mélenchon's Left Front and Tsipras's SYRIZA will play a key role in the coming period to head off and suppress the anger and outrage expressed in the election results on Sunday. In order to facilitate them in this respect discussions are currently taking place to complement the hated European fiscal pact with a "Growth Pact." There is now a broad consensus for such a measure stretching from Hollande, the German Social Democrats to ECB chief Mario Draghi and the Financial Times.

The SPD, upon whose votes the government relies on this issue, has announced it will only agree to the fiscal pact in parliament if the government approves a supplementary growth pact. After the election victory of Hollande, SPD leader Sigmar Gabriel announced: "Now the issue is: whether Ms. Merkel and her coalition are in a position to negotiate a substantial growth pact? Together with the French socialists, we are prepared for such talks."

Merkel has signaled her willingness to cooperate: She has also made clear what is meant by a growth pact: structural reforms to improve competitiveness at the expense of workers and the redistribution of existing EU-handouts to boost the profits of some branches of industry. At the same time the austerity programs are to continue unabated. Hollande and Gabriel are also in agreement. Mélenchon and Tsipras will find the necessary "left" phrases to cloak their own consent.

In the coming period everything will depend on workers breaking with these organisations and their false promises and taking up an independent, united struggle for a socialist program.



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