New Democracy and PASOK form new crisisridden government in Greece

Robert Stevens 27 June 2013

Following the resignation of the Democratic Left (DIMAR) party from the Greek coalition government last week, the remaining parties—New Democracy (ND) and the social-democratic PASOK—announced a new cabinet Tuesday.

DIMAR left the government after a decision by ND Prime Minister Antonis Samaras to close the public broadcaster Hellenic Broadcasting Corporation (ERT) on June 11 by ministerial decree, sacking its 2,600 employees. DIMAR party leader Fotis Kouvelis said the act was "fundamentally an issue of democracy." DIMAR, as with PASOK, was never opposed to the restructuring of ERT, but wanted layoffs done while it remained on air.

Mass protests erupted in opposition to the closure of ERT. On June 17, the Council of State ruled that while the prime minister had the right to close ERT and fire workers, its overnight closure was illegal and could not take place without the approval of the parliament. It said that the station had to be reopened.

With the withdrawal of DIMAR's 14 deputies, an already widely despised government is deeply unstable, with its majority in the 300-seat Parliament reduced to three. Samaras remains prime minister in the new cabinet, while Yannis Stournaras, an unelected technocrat nominated by ND, stays as finance minister.

PASOK, which implemented the first raft of austerity measures after taking power in October 2009, was almost wiped out as a political force in the last elections and is now polling at 6.5 percent in opinion polls. However, it will play a much more leading role than previously and acquire key ministerial positions for the first time in this coalition government. PASOK party leader Evangelos Venizelos becomes the new deputy prime minister, a position he held from June 2011 to March 2012. He will also be the foreign

minister. PASOK's Michalis Chrysochoidis becomes transport minister, while Yiannis Maniatis takes over as environment minister.

The positions of administrative reform minister and health minister are taken by Kyriakos Mitsotakis and Adonis Georgiadis, both members of ND. Georgiadis was a former member of the far-right LAOS party who was expelled last year and defected to ND, after voting for the second austerity package in defiance of his party's line. He recently downplayed the emergence of the fascist Golden Dawn, saying that "in the crisis some people become a little bit extremist."

The cabinet reshuffle also brings ND and PASOK, the two main parties of big business, closer. Venizelos commented, "there is no ground in our country anymore for small, party or personal options," adding that "National interest comes before every party objective." In nine ministries, ND and PASOK officials will work together to impose further austerity.

Pantelis Kapsis, a former government spokesman under the technocratic government of Lucas Papademos (2011-2012), is to run a new ministry specifically charged with dissolving ERT and carrying out massive job losses.

The government is tasked with carrying out further attacks demanded by the troika (European Union, International Monetary Fund and European Central Bank), which will return to Athens next week to review the implementation of austerity policies. Mitsotakis's first job is to confirm to the troika that 2,000 public sector sackings are in place, as well as moving 12,500 civil servants into a labour mobility scheme over the next few weeks. Without these measures, the troika will withhold the release of the next €8.1 billion tranche of the total loan agreement.

Following the first cabinet meeting, Samaras said that

accelerating the troika programme was now "more crucial than ever." Referring to the ERT crisis and the resignation of DIMAR, Stournaras told reporters, "We have to make up for lost time."

The Greek government is now led by the very parties of big business that were principally responsible for plunging millions of people into poverty, in the process losing the support of the majority of Greeks. In the last election, PASOK and ND were only able to win the support of 40 percent of those who voted.

Despite DIMAR's departure, the government can still count on the party's support as it forces through deeper austerity. On Tuesday, party leader Kouvelis said the "Democratic Left...will continue to support the European course of the country and the need to continue reforms in order for Greece to overcome the deep crisis."

Thus DIMAR will continue to play its role as a critical "left" prop of the government. It began life as a right-wing split off from Syriza, the main pseudo-left opposition party. DIMAR entered the government after winning 14 seats in last year's election. Last October, Kouvelis made a candid statement about DIMAR's role, saying that in the face of growing hostility to austerity, "If the country today faces heightened pressure, and we as a leftist party participating in the government receive a portion of this pressure, you can imagine what would have happened if we had not provided it after the second general elections."

Syriza, which has served, in its own words, as the "loyal opposition" to the ND/PASOK/DIMAR government, has done nothing to oppose the government. Instead it has positioned itself ever further to the right in recent months, in the hope of joining a future government of "national salvation."

Syriza was lauded in an op-ed piece June 23 in the *New York Times*, headed, "Only Syriza Can Save Greece" written by economists James K. Galbraith and Yanis Varoufakis. The authors argued that the crisis over ERT could "take down the Greek government and bring the left-wing opposition to power." However, they said, "This wouldn't be a bad thing for Europe or the United States." They wrote that if Syriza leader Alexis Tsipras becomes the next prime minister, "nothing vital would change for the United States. Syriza doesn't intend to leave NATO or close American military bases."

The coalition government has routinely used the full force of the state to impose austerity, including breaking up workers' strikes with riot police. The government is now utilising the Council of State's order to reopen ERT as the means of removing the workers who have occupied its Athens headquarters. The aim is to establish a new broadcaster employing just 1,000 workers, about a third of the current workforce.

On June 21, the Finance Ministry demanded that the workers "evacuate the premises...to allow for the unhindered and immediate implementation of the Council of State's decision."

In response, a statement from the ERT workers read, "We shall not stop the struggle unless all of ERT opens as if it did not close for even a day, without any layoffs, without the circumvention of labour rights." It added, "Come and get us. The orders for the evacuation of the broadcaster building by those who are acting illegally are violating every meaning of constitutional law, who are afraid of democracy, who are afraid of legality, it is force for us to give up. It is force to bring us to our knees. It is force to intimidate us."

While the workers are fighting defiantly to defend their jobs and livelihoods, the trade unions are once again ready to work with the government in pushing through the required austerity. Panagiotis Kalfagiannis, the leader of the broadcast workers' union Pospert, supported the position of DIMAR and PASOK saying, "If the government wants to restructure ERT we agree. We want restructuring. Not a padlocked ERT."



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