Strikes and protests against mass layoffs in Greece

Christoph Dreier 11 July 2013

Greek municipal workers went on strike Monday in response to government plans to carry out further redundancies in the public services, as demanded by the European Union. Municipal police officers and community workers occupied public offices in Athens, Thessaloniki, Attica and other cities.

On Monday and Tuesday, thousands of people marched to the Interior Ministry on Klathmonos Square in Athens to protest against the government's dismissal program. On Wednesday, workers reportedly decided to continue their walkout for the entire week. A one-day general strike has been announced for July 16.

The workers are protesting against the plan of the government (a coalition of the conservative New Democracy and the social democratic PASOK) to shift 4,200 state employees to a so-called "transfer company" by the end of the month. The transfer company guarantees the workers 75 percent of their salary for eight months, after which they will loose their jobs. A total of 12,500 workers are to be outsourced and condemned to unemployment via the transfer company by the end of September.

Those loosing their posts include 2,200 school security guards and 3,500 municipal police officers. The government has announced that at least some of the police officers will be reintegrated into the central security forces as part of the racist "Xenios Zeus" campaign to hunt down refugees without papers. Some 1,500 teachers will also lose their jobs despite the fact that the Greek educational system is already facing catastrophic conditions.

The government also intends to sack 4,000 workers directly by the end of the year. Some 2,000 jobs were shed last month following the closure of the ERT public broadcasting channel and its replacement by a slimmed-down successor station.

All of these measures have been dictated to the Greek government by the "troika"—the International Monetary Fund (IMF), the European Central Bank (ECB) and the European Commission. On Tuesday, the troika published its report on the country's progress in the implementation of austerity measures. The report was the basis for the decision by EU finance ministers Tuesday evening to release a fresh tranche of loans.

The troika report showed that the Greek government has surpassed the targets drawn up by the EU for the implementation of its austerity measures. In the first five months of this year, the country's budget deficit totaled 3.8 billion euros, despite the country's growing burden of interest and loan repayments. A deficit of 7.1 billion euros had been anticipated. This means Greece has already generated a primary budget surplus and would no longer require fresh loans were it not for its high burden of interest payments.

In order to pay off its creditors, the country still needs emergency loans from the EU and the IMF. To tighten the screws on the Greek government even further, EU finance ministers decided to divide the scheduled tranche of eight billion euros into smaller amounts and make payment dependent on the precise implementation of the redundancy plans.

The first tranche of 2.5 billion euros, which is needed to pay loans due in August, will be paid only if the Greek parliament passes appropriate laws by July 19. "By mid-July the necessary legislative steps need to be done," German Finance Minister Wolfgang Schäuble said on Tuesday in Brussels.

The Greek government has only a wafer-thin majority following the departure in June of the Democratic Left (DIMAR) from the coalition.

Further tranches are to be paid in August (1.8 billion euros) and October (2.5 billion euros) on condition that

the government has actually carried out the layoffs. The troika has already sent representatives to all major ministries to monitor these measures.

The EU has also demanded that the Greek government privatize state enterprises worth 1.6 billion euros. In light of the country's appalling economic situation, the privatization amounts to a fire-sale. Following the failed takeover of the Greek supplier Depa by Russia's Gazprom, the total sum to be raised was reduced by one billion euros.

The government program will serve only to deepen the social disaster already afflicting the country. The recession has now lasted 19 consecutive quarters and economic output has fallen by a third since 2009. This represents an economic collapse unprecedented in Western Europe since the end of World War II. Analysts expect a further decline in economic output of up to five percent this year, with unemployment rising to 27.8 percent. Unemployment already stands at 27 percent.

The government is resorting to increasingly aggressive methods to impose the latest round of social attacks and has placed striking workers under martial law on three separate occasions this year.

On Monday, police attacked a peaceful demonstration of students at the University of Athens. The students were opposing the closure of four universities. Police used tear gas and arrested 31 students after the protesters disrupted a meeting of the University Board and occupied a room.

The police attack on the students is highly symbolic. Prior to 2011, police were banned from entering university campuses. In August 2011, the government, then headed by PASOK, overturned the law and allowed the police to carry out the type of raid they staged on Monday. In order to carry out its social attacks, the government is resorting to the methods of the military junta that ruled Greece from 1967 to 1974.

The most important instruments of the ruling elite to keep workers under control, however, remain the trade unions. They have collaborated with the government to prohibit strikes and repeatedly worked to steer working class opposition into harmless channels.

The general strike called for July 16 by the country's two major public and private union federations, ADEDY (Civil Servants' Confederation) and GSEE (General Confederation of Greek Workers), is intended

to serve just this purpose. The unions have organized dozens of such token actions in recent years. In every case, the strikes are coordinated with businesses and the government and organized merely to permit workers to let off steam.



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