

Anger mounts among Greek retirees as Syriza threatens to withhold pensions

Kumaran Ira
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Anger is rising among two million Greek pensioners who fear they will lose their pensions, as the Syriza-led government faces a cash crunch before making a €700 million payment to the IMF on May 12.

On Thursday, pension recipients, almost one fifth of Greek's 11 million population, waited at branches of the National Bank of Greece, which pays most of the pension money, after the Greek state delayed pension payments due to a cash shortfall last week.

Pensioners reportedly broke into a board meeting of the state pension fund, demanding that it stop transferring its cash reserves to the government under an emergency law recently passed by Syriza.

While preparing sweeping social cuts, Syriza is also looting money from public entities that fund key social services as it negotiates the next tranche of €7.2 billion in loans from Greece's eurozone partners. Recently, the government ordered 1,500 state entities, including pension funds, local authorities, hospitals and universities, to hand over their cash reserves to the central bank in order to pay off the EU.

The *Financial Times* of London cited 75-year-old former civil servant Sotiria Zlatini: "Normally I only withdraw half the money at the end of the month, but today I'm taking it all. There are so many rumours going round because of the government's problems and what happened two days ago."

Socrates Kambitoglou, a retired civil engineer, said, "I went to the ATM in the morning before going to the supermarket, but the money wasn't there. ... I went back at eight in the evening feeling quite anxious, but it had arrived."

The government claimed the delay in the pension payment was only due to a "technical hitch." Deputy Minister for Social Security Dimitris Stratoulis said a technical problem with the interbank payment system

had caused the delay.

An anonymous official familiar with the Greek state's cash position refuted claims that a technical problem caused the delay. He told the *Financial Times* that the payments were held up because the state pension funds "were still missing several hundred million euros on Tuesday morning".

The looting of Greek pension funds is an indictment of the pseudo-left Syriza party, which came to power in January, falsely claiming it would end austerity. After winning the January 25 election, Syriza capitulated to the EU's austerity agenda and pledged to work closely with the EU to impose new attacks on the working class.

While cutting pension and public sector wages, Syriza is pushing ahead with privatization of ports, including the main port in the Athens region, Piraeus, and 14 regional airports. Before coming to power, Syriza claimed that it would oppose privatizations.

Yesterday, Bloomberg cited anonymous sources to report: "The Hellenic Republic Asset Development Fund, which sells real estate, infrastructure and other government holdings, will send on Wednesday a revised tender offer to investors, including China Cosco Holding Co., to solicit bids for a stake in the Piraeus Port Authority SA."

According to these sources, "The fund is satisfied with an offer of €1.2 billion (\$1.4 billion) for the lease of 14 regional airports in Greece from Germany's Fraport AG, and expects to conclude the sale within a month."

On Thursday, markets stepped up pressure on the Greek state to intensify austerity and structural reforms. On Wednesday, Moody's Investors Service downgraded ratings on Greek bonds further into junk status, from CAA1 to CAA2, assigning the rating a

negative outlook.

Moody warned that should negotiations with the EU fail, “the outcome is likely to be a disorganised default”.

This occurs as Syriza begins talks with the IMF and EU on the bailout deals. To obtain a further €7.2 billion loan from the troika—the European Union, European Central Bank and International Monetary Fund—Syriza is preparing to propose detailed social cuts, including to pensions and health care, and structural reforms. These reforms include reactionary changes to labour laws, layoffs in the public sector, and the privatisation of state-owned companies.

“The Greek government is ready to accept an honest solution with its creditors that will allow financial aid to be unblocked, and to end the financial asphyxia caused by the memoranda,” Greek Finance Minister Yanis Varoufakis told radio station Sto Kokkino.

After the failure of previous talks with the troika to strike a bailout deal, Tsipras appointed a new Greek negotiator team, replacing Varoufakis with Deputy Foreign Minister Euclid Tsakalotos.

Tsakalotos made clear that Syriza hopes to implement policies dictated by the EU. “When you have a political plan, you can find solutions and make some compromises,” he said.

As the ongoing looting of pension funds shows, such compromises would signify Syriza and the EU working together to rob the working masses.



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