The significance of Greece

Jerry White
10 July 2015

The events in Greece this week are of great importance to autoworkers and all workers in the US. In the face of a non-stop campaign of economic blackmail and even threats of a military coup, Greek workers overwhelmingly rejected demands from the European Union, the IMF and world banks that they accept a new round of brutal austerity measures.

In the run-up to last Sunday's referendum, the banks were closed, ATM withdrawals restricted to about $50 a day and retirees were cut off their pension benefits. The media and leading European politicians insisted that a "no" vote would lead to the expulsion of Greece from the EU and economic suicide.

Defying these threats, the Greek people, led by the working class and the vast majority of young people, voted 61 to 39 percent to reject the bankers' demands to raise the retirement age, increase taxes on those who can least afford it and wipe out more public sector jobs in a country where more than 50 percent of the youth are already unemployed.

In saying "no," the Greek workers were voicing the opposition of hundreds of millions of workers around the world who are fed up with endless sacrifice even as corporate profits, the stock markets and the wealth of the richest one percent of the population hit record highs. The heroic resistance of the Greek workers came as a shock to the political establishment in Greece, Europe and within the United States. The ruling class thought it could intimidate workers with endless threats. Since the vote, however, leading figures in Europe have said that if Greece wants to stay in the eurozone, it had to agree to proposals that go even further than those rejected last weekend.

The events in Greece are significant not only for that country. The same basic social and political dynamic is present everywhere. Governments and corporations around the world endlessly demand that workers give up what they won before. They insist that the banks must be made whole and society simply cannot "afford" decent wages, pensions, education, etc. And in every country there is the same seething social anger and hostility. In Detroit, workers have the experience of the recent bankruptcy proceeding. In what was once the auto manufacturing capital of the world they were told they had to accept devastating cuts to pay off the banks. A federal judge insisted retired city workers had no right to pensions and residents had no right to water. Only the banks holding the city's debt have rights, the judge insisted.

Autoworkers are on the front line of the assault on the working class throughout the country and internationally. With the collaboration of the UAW, the automakers have made $73 billion in profits over the last four years. Nevertheless, they insist they will not go back to the "old days" of regular raises, with FCA boss Sergio Marchionne—who pocketed $72 million last year—saying he "violently" objects to the "notion of entitlement" when it comes to wage increases.

Obama's 2009 attack on autoworkers was a signal to drive down wages across the economy. Wages have fallen to the lowest share of the GDP since World War II, while corporate profits have risen to their highest share. The profits extracted from workers have not been spent on upgrading or building new factories, let alone hiring workers and increasing their pay. Instead GM and other corporations have squandered billions on stock buybacks, dividends and mergers to enrich the Wall Street investors.

The ruling class is well aware that the anger in Greece is not unique, that social tensions around the world are reaching a boiling point, and that a single spark could set off a global rebellion. After the Greek vote, the *Wall Street Journal* warned of a spreading "contagion" of political opposition.

Workers should be heartened by the "no" vote in Greece. What the ruling class fears is the growing

© World Socialist Web Site

opposition of the working class in every country. Yet the desire to fight is not by itself sufficient. Workers need their own organizations, their own political program. Nowhere is this most basic truth expressed more clearly than in Greece itself. The resounding “no” vote by the Greek workers and youth has been followed immediately by pledges from the Syriza-government (which calls itself “radical left!”) to implement the very measures the Greek people rejected. The Greek government is right now desperately seeking some accommodation with the banks. Syriza’s perspective is rooted in the denial of the significance of class, of the rejection that workers need their own organizations, in the furtive hope that the massive social conflicts that are developing all over the world can be contained and the capitalist system preserved. In terms of its social interests, Syriza speaks for sections of the upper middle class that have long insisted that Marxism is a dead letter, that socialism is a hopeless project. Syriza’s international counterparts are those with which workers here are well familiar. They are the ones who insist that the Democratic Party can be reformed, that uphold the authority of unions like the UAW that long ago became tools of the corporations, and that insist that it is illegitimate for workers to strike out on their own.

Precisely the opposite is needed. The strivings of workers in Greece, America and all over the world for a decent life and a future for their children places them in a direct confrontation with the capitalist governments, political parties and trade unions that defend the current economic setup.

For the working class to fight for its own social rights—for secure and decent paying jobs, good health care, housing, education and a comfortable retirement—workers must be organized as an independent political force, apart from and in opposition to all of the corporate-controlled parties.

Only by taking political power in its own hands can the working class reorganize economic life on the basis of the principle of social equality. The ill-gotten gains of the financial criminals must be seized, the major banks and industries put under the democratic control of working people, and the global economy reorganized to meet the needs of the world’s producers—the working class majority of the planet—not the profits of the financial parasites.

In the US, workers must break with the Democrats and Republicans—the twin parties of big business, inequality and war—and company unions like the UAW. The lesson of Greece is that workers must build our own mass political party to fight for a workers’ government and socialism.

We urge autoworkers to take up this fight by contacting the Socialist Equality Party.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site