

Greek parliament rubber-stamps new EU austerity plan

Christoph Dreier, Alex Lantier
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After discussion and debate dragged on into the early morning hours, the Greek parliament overwhelmingly adopted a vast new set of cost-cutting measures and legal “reforms” dictated by the European Union (EU).

The austerity package easily passed the parliament with 230 “yes” votes in the 300-member chamber. Over three quarters of the ruling Syriza party’s deputies joined the main opposition parties—the right-wing New Democracy (ND), To Potami (The River), and the social-democratic PASOK party—in voting for the bill. Some 36 deputies from the Left Platform faction of Syriza joined a few members of Syriza’s far-right coalition partners, the Independent Greeks (Anel), and other far-right parties in voting against the bill. This was three fewer Syriza “no” votes than were cast against the first package of EU-dictated austerity measures last week.

Yesterday’s vote made a mockery of democracy. Legislators did not even have the time to read the 900-page draft, which was delivered to them the day before, having been drafted in close collaboration with Greece’s creditors—the EU, the European Central Bank (ECB) and the International Monetary Fund. They were not allowed to make any amendments or changes.

According to initial reports, the bill includes provisions slashing funds to the Greek justice system and drastically compressing judicial proceedings, as well as adopting the EU’s Bank Recovery and Resolution Directive. There are also new rules to facilitate home foreclosures, allowing banks to sell off houses repossessed from derelict mortgage holders at market rates.

According to former Greek Finance Minister Yanis Varoufakis, who was involved in negotiating the deal, the reforms aim to simplify the “foreclosure, eviction and the destruction of thousands of households and

businesses that are not in a position to pay off their creditors.”

The banking plan, which limits the government’s obligations to bail out its banks, is ostensibly designed to allow banks to force their creditors and shareholders to bear the losses of future bank failures. Earlier this month, there were also reports that Greek banks are preparing to impose a 30 percent cut to all accounts over €8,000 (US\$8,742).

Prime Minister Alexis Tsipras reportedly postponed a few of the most unpopular cuts, such as eliminating tax breaks for farmers, in order to stabilize his government and prevent new defections from Syriza parliamentarians. Tsipras has already reshuffled his cabinet to remove Left Platform members. “We are making an effort to have fewer dissenters,” Health Minister Panagiotis Kouroumplis explained on Greek television.

Officials in other EU countries demanded that Athens adopt the measures or face a cutoff of EU bailout funding that could bankrupt the Greek government and financial system.

Gunther Krichbaum, chairman of the German parliament’s Europe committee, told the *Bild* newspaper: “We are keeping a close eye on whether Athens not only adopts the reforms, but also implements them... Greece must fulfill the conditions, otherwise the money cannot flow.”

Ultimately, the Greek parliament rubber-stamped the EU’s demands, trampling the overwhelming 61 percent “no” vote in the July 5 referendum on EU austerity.

Apparently confident of the outcome of the Greek parliament vote, the ECB extended €900 million in emergency credit Wednesday evening.

The parliament is functioning as a tool of a financial dictatorship aimed against the Greek people. ND, To

Potami and PASOK pledged to support the bill even before the draft was presented, demanding that Greece implement the demands of the EU.

“We ask Mr. Tsipras to govern, to implement what he has agreed and signed up to,” PASOK leader Fofi Gennimata said after meeting President Prokopsis Pavlopoulos.

In the run-up to the vote, Tsipras and his government defended their austerity package as an unavoidable necessity. The new finance minister, Euclid Tsakalotos, said on Tuesday in parliament: “It’s extremely important to wrap up this prior actions procedure so that we can start negotiations on Friday.”

Tsipras spoke well after midnight this morning to endorse the EU austerity measures. He cynically portrayed his abject surrender to the EU all down the line as a “battle” fought by his government, pledging that “one day the battle will bear fruit.” He went on to demand that the parliament adopt his government’s austerity measures, portraying them as an unavoidable evil.

“In reality, we made difficult choices, and now we must all adapt to the new situation,” he said.

Tsipras seemed to deny Varoufakis’s warnings that homes could be repossessed, implying that it would not happen under his government. “We are the guarantee that that will never happen... Without that guarantee, we don’t exist.”

Insofar as Syriza has already betrayed its electoral pledges to end EU austerity and also the result of the referendum it called, Tsipras’s promises on housing are worthless. However, even if they turned out to be true, and the Syriza government did not repossess homes, this would only postpone the attacks. Reports are already spreading that Syriza could organize new elections as early as September.

Tsipras initially planned to leave power after the July 5 referendum, having originally assumed that the “yes” vote would prevail and provide him with an excuse to step down.

In the run-up to the vote, the Syriza majority traded barbs with the Left Platform minority, which is still criticizing Tsipras’s measures. The Left Platform has remained inside Syriza even as Tsipras imposes deep EU austerity that it claims to oppose, seeking to divert popular opposition to austerity into the dead end of supporting various factions of Syriza against each

other.

The Syriza majority is now openly threatening a split with the Left Platform. “There are two views within Syriza, possibly a divorce is unavoidable, but there should be dialogue first,” government spokesperson Olga Gerovasili said on Alpha radio on Tuesday. She threatened that this “divorce” could be completed before the next general elections, that is, possibly by September.

Yesterday, Left Platform legislators continued to indicate they would not vote for the bill. “I won’t betray our voters,” Rachel Makri said to explain why she was voting “no,” while parliamentary speaker Zoe Konstantopoulou commented, “Neither as a lawyer, Syriza MP nor as speaker of the Greek parliament can I vote for these prior actions.”

Tsipras responded by sharply attacking the Left Platform representatives. “Until today, I have been seeing reactions, I have been reading heroic statements but I have not been hearing any alternatives to the July 12 blackmail,” he said, attacking opponents of the agreement with the EU agreed upon on July 12.

“If some believe that the alternative left plan is the Schaeuble Plan, to take over the ECB bank notes stock, or to pay pensioners with IOUs instead of pensions, they should explain that to the Greek people. And should not hide behind my signature,” he added.

The “Left Platform” has responded to such attacks by asking to be allowed to continue serving as a toothless loyal opposition within Syriza. When Tsipras sacked Panagiotis Lafanzanis as minister for energy, the Left Platform leader promised to continue supporting the government.

On its web site, the Left Platform calls Tsipras to take back his statement about purging those within the party who refuse to vote for the austerity measures, in order to avoid a split within Syriza.



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