Social attacks continue in Greece despite end of enhanced EU financial surveillance

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On August 20, the so-called enhanced financial surveillance of Greece by European Union (EU) lenders ended. After 12 years of austerity dictates and strict control of the Greek budget, the finance ministers of the eurozone countries and EU Commissioner Paolo Gentiloni voted in favour of this step.

Greek and European politicians alike exceeded each other with their excessive flattery and promises. An "historic day for Greece and all Greeks," proclaimed Prime Minister Kyriakos Mitsotakis of the right-wing conservative Nea Dimokratia (ND), predicting a new beginning "full of growth, unity and prosperity."

EU Commission President Ursula von der Leyen tweeted that Greece could now close this chapter "thanks to the determination and resilience" of its people and "look to the future with confidence."

To decipher the phrases, replace "prosperity" with poverty, "confidence in the future" with fear of job loss, "resilience" with suffering and hardship. What is being celebrated here as a chapter closed and an historic new beginning means the Greek population faces the continuation of austerity and aggravation of the social crisis over further decades.

The cost of the loans of almost €289 billion that Greece received from the EU in three "memorandum" programs in recent years was paid by the working class with income losses of 25 percent, mass unemployment and pension cuts. With public debt at 189.3 percent of GDP in the first quarter of 2022, the country remains at the top of the EU debt table. According to Eurostat, Greece recorded the highest youth unemployment rate (28.6 percent) and the second highest unemployment rate (11.4 percent) after Spain in the month of July.

Since the financial crisis of 2008, the EU, under German leadership, has used Greece as the spearhead of its austerity policies. Within a few years, with the help of the trade unions and pseudo-left parties, led by the Syriza government (2015-2019), it broke the strong resistance of the working class and lowered living standards to the level of a developing country. In response to the pandemic and NATO's proxy war in Ukraine, European governments are building on the Greek experience and intensifying social attacks across Europe.

What does the end of "enhanced surveillance" mean? The mechanism had been adopted in 2018 for a period of four years following Greece's formal exit from the so-called "bailout" programs of the European Commission, the International Monetary Fund (IMF) and the European Central Bank (ECB)—the "Troika" for short. Greece had to continue to pass regular quarterly budget audits by creditors in order to obtain debt relief and access to the capital market. Now, far from ending this scrutiny, there will only be a transition to "simple surveillance," with semi-annual rather than quarterly reviews.

Like other European countries, including Ireland, Spain, Cyprus and Portugal, Greece will remain under EU control until 75 percent of its loans are paid off. According to the Greek newspaper *Ethnos* that would be in 2059, following current calculations, and as late as 2070 according to other sources. That means that for up to 50 more years, the EU's dictates will continue, inevitably involving austerity measures and privatization.

The latest move gives Greece greater budgetary freedom, but it will not be to the benefit of the working class. Above all, the Greek elite—as well as Europe's corporations and banks—have in mind incentives for investments and lucrative business deals. Greek Finance Minister Christos Staikouras stressed that the new regulation would strengthen the country's position on the world market and make it more attractive to investors.

The EU had ordered a rigorous privatization policy and the systematic erosion of the welfare state, labour laws and the right to strike in order to turn Greece into a low-wage country. Having bled the country dry economically and socially, transnational corporations are falling over the spoils like vultures. Governments of all political stripes, especially the previous government under Syriza, privatized state-owned assets on a massive scale, selling them off to international companies and shareholders on favourable terms.

This month, the privatization process for the ports of Igoumenitsa and Alexandroupoli is entering the next round. While the former is an important link to Italy, the latter is currently of great geopolitical significance. The northern Greek port of Alexandroupoli serves as a hub for NATO arms deliveries to Ukraine in the war against Russia. The sale of state-owned natural gas company DEPA Infrastructure, which owns stakes in 7,500 kilometres of gas networks, to Italy's Italgas was also completed in early September.

Mitsotakis also hopes to attract large investments via closer ties with reactionary regimes such as the al-Sisi dictatorship in Egypt and the Gulf monarchy of the United Arab Emirates, with which he negotiated a Strategic Partnership in 2020 and signed 12 agreements and the establishment of an investment fund this year.

German corporations are also benefiting. Frankfurt-based flight operator Fraport bought the rights to 14 Greek regional airports. IT companies are taking advantage of access to cheap skilled labour, including Göppingen-based software company Teamviewer, which in 2020 opened a site in the city of Ioannina in northern Epirus, one of Greece's poorest regions. Companies such as Essen-based utility RWE, Bremen-based solar and wind farm developer wpd and Germany's largest wind turbine manufacturer Enercon are also getting involved in the wind energy and solar markets.

While rents and housing expenses for Greek workers rose rapidly in 2022, especially in metropolitan areas such as Athens, the luxury real estate market in Greece is celebrating a record year, according to real estate agency Sotheby's International Realty, with wealthy buyers coming mainly from the United Kingdom, United States and France.

The Greek government boasts of economic growth of 8 percent of GDP last year and an expected 4 percent in 2022. It is using this as window dressing, which has little to do with the real situation, to distract attention in the run-up to next year's elections from the deep political crisis that has gripped it and the entire ruling class. ND is not only shaken by a far-reaching wiretapping scandal that is exposing the authoritarian tendencies of its rule. It also fears an escalation of social tensions in the face of skyrocketing prices for food, electricity, and heating gas.

In his opening speech at the Thessaloniki International Trade Fair, which ran this week, Mitsotakis promised a package of €5.5 billion for 2022 and 2023. This includes minimal special payments for low-income earners, families, pensioners, farmers and students, as well as relief for businesses, funding for the tourism industry and higher salaries for the armed forces, according to *Euronews*.

The official inflation rate was 11.4 percent in August. According to the latest figures from the Greek Statistical Office, bread and cereal products cost 18.5 percent more, dairy products 18 percent, and oils 25.5 percent. Travel costs also rose rapidly: airline tickets were 71 percent more expensive, ship tickets 25.4 percent and taxis around 33 percent—and that in a country with countless islands, where many people rely on ship and air transport. Even before the Ukraine war, prices for most foodstuffs were at the same level as in Germany, while the official minimum monthly wage is only about a third at €663 euros.

As in other European countries, the price explosions in the energy sector are particularly glaring: the price of natural gas rose by 261.3 percent in one year, heating oil by 65 percent and electricity by 38.5 percent.

In early September, speaking on Mega TV, Adonis Georgiadis, Minister of Development and Investment, warned of the "worst winter since 1942" and blamed the situation on "Putin's energy war against Europe." Georgiadis—a well-known right-winger who began his career as a historian and publisher and was a deputy for the ultra-right Laos Party before joining ND—knows exactly what he is talking about.

Under the yoke of Nazi occupation in Greece during World War II, tens of thousands died in the 1941-1942 Winter of Hunger. The Nazis had plundered the economy for their military campaigns and starved the population. During the unusually cold winter, many people also froze to death because fuel was confiscated. The gruesome images of emaciated starving people and piles of corpses in the capital Athens still make one shudder today.

With his comparison to the winter famine of 1941/1942, Georgiadis is directing an open threat to the Greek population. Not Putin, but the sanctions and rearmament mania of the NATO powers has led to the collapse of gas supplies from Russia and the price speculation of powerful corporate monopolies.

Greece is one of the closest allies of the US and Germany in the war, spending 3.59 percent of GDP on its military apparatus even before the outbreak of war in 2021, according to NATO figures—more than all other NATO countries, including the US. On Friday, the Greek Defence Ministry confirmed the start of a so-called back-fill operation with Germany. Athens will supply Ukraine with 40 Soviet-designed BMP-1 tanks. In return, Greece will receive 40 Marder infantry fighting vehicles from Berlin.

The burden of the war policy is to be shouldered by working people. That is why they are already being prepared for a new "winter of hunger."

The fascistic attitude contained in the government's reaction to the human emergency could be seen on Tuesday when Deputy Minister of the Interior Stelios Petsas addressed the media. On the morning program on the ANT television channel, he referred to the gigantic increase in the price of natural gas and urged households with a natural gas supply to make an expensive switch to heating oil (whose price is also increasing sharply). When asked by a journalist if there will be solutions provided for affected households, he said, "In these cases, the main thing is to show adaptation. Those who don't want to adapt will unfortunately die."

This is the Social Darwinist logic of survival of the fittest in the "struggle for existence" pursued by the Greek ruling class in the last three years of the pandemic, with its herd immunity policy of allowing infections to run wild, and in the preceding years of austerity policies under the dictates of the Troika.

Petsas' statements triggered an outcry on social media and an exchange of blows with the opposition Syriza party in parliament. In fact, however, he was merely stating bluntly what has been the mindset of the Greek elite and international capital for years. In order for stock market profits to continue to soar, workers are supposed to starve, freeze and die. Or as Marx once wrote, "To the outcry as to the physical and mental degradation, the premature death, the torture of overwork, it [capital] answers: Ought these to trouble us since they increase our profits?"

With the same determination with which the capitalist class defends its profits, workers must take up the struggle and prevent a winter of war and hunger. For this they need a socialist perspective and their own party. Contact the WSWS to prepare for the formation of a Greek section of the International Committee of the Fourth International.