

Corruption scandal hits Greece's GSEE trade union bureaucracy

John Vassilopoulos
25 February 2026

Since early February, Greece's main private-sector trade union confederation, the General Confederation of Greek Workers (GSEE), has stood at the centre of a multimillion-euro embezzlement scandal. The crisis resulted from a month-long investigation by the Authority for Combating Money Laundering from Criminal Activities (AKNEED).

At the centre of the investigation is GSEE president Yiannis Panagopoulos. The probe concerns government and European Union (EU) funding totalling €73 million, provided between 2020 and 2025 for professional education and training programmes. Of this amount, €2.1 million is currently under investigation.

At a February 12 press conference, Panagopoulos denied all charges and refused to step down. He declared his intention to seek re-election at GSEE's April conference. Although he remains head of PASKE, the trade union faction aligned with the social democratic PASOK, the party expelled him following the revelations.

Under scrutiny is Panagopoulos' role in awarding contracts for educational programmes to six companies. Many appear to have been shell entities, with no significant business activity, infrastructure or staff capable of providing the services for which they were contracted.

The contracts were either directly assigned by Panagopoulos or awarded through sham tenders. Several were not even declared on the government transparency portal, Diavgeia.

Investigators identified at least €577,000 in dubious transactions linked to these companies. A further €1.5 million in cash withdrawals and unexplained bank transfers into personal accounts—including Panagopoulos'—was also flagged.

On February 5, the head of AKNEED ordered the freezing of Panagopoulos' bank accounts and those of six others. Four days later, a report was submitted to Greece's top financial prosecutor, Panagiotis Kapsimalis, who ordered an urgent preliminary investigation.

One of those whose accounts were frozen is journalist Giorgos Kakousis, who provided communication services to GSEE. Following the revelations, the state broadcaster ERT—where Kakousis until recently presented a lunchtime current affairs programme and a radio show—cancelled his contract.

The other individual publicly named is Cypriot businessman Andreas Georgiou, who supposedly provided digital and consulting services to GSEE. Speaking to *To Vima (The Tribune)*, an AKNEED official stated, “Georgiou was hired not for the [educational] programmes or other contracts, but to launder money.” Georgiou's partner, former Consumer Ombudsman Anna Stratinaki, resigned following the revelations.

Investigations into Panagopoulos' financial affairs began after an anonymous tip to AKNEED concerning his purchase of a 2,000-square-metre property for €140,000—well below its assessed value of just under €210,000.

Around the same time, opponents of Panagopoulos within GSEE, publicised their own knowledge of irregularities. In September 2025, a video uploaded to YouTube by GSEE's former press secretary and long-time collaborator Dimitris Karageorgopoulos alluded to financial misconduct within the bureaucracy. He called on GSEE leaders to publish their financial records “over the last 20 years, particularly during the period of capital controls and afterwards.”

Karageorgopoulos' reference to the last 20 years and the imposition of capital controls in 2015 by Syriza is revealing. Panagopoulos has led GSEE since 2006. His tenure spans the austerity packages imposed by successive governments across the political spectrum—New Democracy (ND), PASOK and Syriza—under the dictates of the EU and International Monetary Fund following the 2008 financial crisis.

During this period, GSEE and its public-sector counterpart ADEDY called numerous toothless 24-hour general strikes. Their function was to allow workers to vent anger while austerity measures were pushed through unopposed.

The ruling New Democracy's trade union faction, DAKE, now presents itself as an untainted section of the bureaucracy. In a recent statement, it claimed that—unlike the government—it did not maintain “excellent and permanent good relations” with Panagopoulos. DAKE asserted that it had informed others of abuses within GSEE and its Labour Institute and had “attempted to change the situation through institutional means.”

In other words, DAKE's leadership was aware of the irregularities but did not alert the rank-and-file. Instead, it

sought to exploit the situation for factional purposes.

GSEE's general secretary, Nikos Fotopoulos—head of the Syriza-aligned EMEIS/ARKI faction and responsible for the day-to-day running of the bureaucracy—has also attempted to distance himself from the scandal. Aware that he leads an already discredited organisation, Fotopoulos urged workers not to condemn the entire apparatus, stating that “it's not the trade unions that are at fault but the trade unionists who don't honour their title.”

The Stalinist Communist Party of Greece's (KKE) trade union faction, PAME, has sought to advertise its supposed spotless credentials. On a February 10 morning news programme, Markos Bekris—a PAME bureaucrat and member of GSEE's governing council—stated that in 2019 PAME refused to sign off on GSEE's Audit Committee report because it “discovered that there were amounts and expenses that had been processed without the corresponding authorisations.”

But PAME did not attempt to expose its discovered irregularities, nor did it withdraw from the GSEE leadership.

The unity of the bureaucracy was made explicit by ND Labour Minister Niki Kerameus in a February 10 interview with *Mega Channel*. Responding to claims that Panagopoulos was overly close to the government, she declared: “The GSEE has a governing council. All factions are represented there—all of them. Those aligned with New Democracy, PASOK, SYRIZA, the Left. Do you know how all these factions voted? All of them voted yes. All of them. The GSEE's decision to sign the National Social Agreement was unanimous.”

The agreement, signed in November under the banner of restoring collective bargaining, formalises the low wages and harsh conditions imposed through years of brutal austerity. On top of this, a new labour law that came into force this year permits working days of up to 13 hours.

The deadly consequences of this regime were underscored at the start of February when five female workers were killed in an explosion at the Violanta biscuit factory in Trikala, following years of safety violations.

The immediate beneficiary of the embezzlement scandal has been PAME, which emerged as the largest faction in this month's elections at the Athens Labour Centre (EKA). With nearly 300,000 members, EKA is GSEE's largest regional branch and a key indicator of the balance of forces within the confederation.

PAME received 34 percent of delegate votes, securing 11 seats on EKA's executive committee. It also won the largest number of delegates heading to the upcoming GSEE conference. Second were delegates from the Enotiko slate of PASKE bureaucrats who have broken with Panagopoulos, while the official PASKE slate secured only five delegates.

Commenting on the results, the satirical weekly *To Pontiki* predicted “an end of an era in the Confederation,” claiming that “the trade union movement is entering a new uncharted era.” It added that “the decline of the factions associated with the

austerity period and the emergence of new formations such as Enotiko create the conditions for a GSEE that may be compelled to return to the streets.”

Workers in Greece should be warned that a GSEE under PAME's leadership would be no less treacherous. PAME was the most vocal supporter of the repeated general strikes over the past decade and a half, including mobilising its substantial membership among important sections of the working class to participate. By posing as the militant wing of the bureaucracy, it has played a central role in keeping workers tied to the apparatus while concession after concession was negotiated and imposed by the entire union bureaucracy.

Ultimately the corruption within the GSEE is an expression of a wider objective process that goes beyond the avarice of this or that bureaucrat. As the process of globalisation over the past four decades has rendered the historic role of nationally-rooted trade unions across the world obsolete, the bureaucracy have increasingly integrated the trade union apparatus within the structures of corporate management—protecting its own material interests and wealth and becoming ever more detached from rank-and-file members. Whereas in the past they were able to gain limited concessions for their members, now they collaborate with management to reverse them in a race to the bottom for wages and working conditions.

To take forward the fight against this assault on living standards, Greek workers must turn to building their own rank-and-file committees in every workplace, independent of the trade union bureaucracy and in alliance with their class brothers and sisters internationally. The International Committee of the Fourth International launched the International Workers Alliance of Rank-and-File Committees (IWA-RFC) in 2021 to enable workers to coordinate their struggles in different factories, industries and countries in opposition to the ruling class and the corporatist unions.



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact