

As popular anger erupts

Euro zone ministers to demand still more Greek cuts

By Nick Beams
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Despite the Greek parliament passing a sweeping austerity program, the meeting of euro zone finance ministers to be held tomorrow is likely to demand further cuts. It will also insist on guarantees from Greek political leaders as to their implementation before signing off on a €130 billion (\$170 billion) bailout operation.

The measures were passed by parliament late on Sunday after police had earlier teargassed crowds, said to number up to 100,000, that had gathered to protest against the new round of job, wage and pension cuts. Throughout the night, groups of youth battled with police as buildings were set ablaze. A total of ten banks and 30 other buildings were reported to have been hit.

In the leadup to tomorrow's meeting, euro zone financial officials indicated that included on the list of demands is how a further spending cut of €325 million is to be imposed and clarification on how the reduction of 15 percent in labour costs will be obtained, together with assurances that all Greek political leaders will enforce the austerity program after parliamentary elections expected in April.

"The parliamentary vote is important, but it's not the be all and end all," one euro zone official told the *Financial Times*.

Speaking on a television program, German Economics Minister Philipp Rösler said: "We took a step in the right direction, but are still far from the goal. The implementation of structural reforms is crucial."

While describing Sunday night's vote as a "crucial step", European Economic Affairs Commissioner Olli Rehn made it clear more had to be done. "I am confident that the other conditions, including ... the identification of the concrete measures of the €325

million will be completed by the next meeting of the Eurogroup, which will then decide on the adoption of the program."

There is considerable doubt as to whether Greece will ever actually receive the bailout money. Proposals are under discussion for it to be placed in an escrow account to guarantee payments to the banks and other holders of Greek debt, and then to be disbursed to the Greek government only as so-called fiscal and structural "reforms" are carried out over the next three years.

If such measures are imposed, they will only fuel the anger that motivated Sunday's demonstrations in Athens as well as other Greek cities.

Five years of recession and three years of austerity programs have not only shattered the Greek economy and the living standards of the people, the growth of mass opposition is now leading to the break-up of the existing political structures and parties.

Parliamentary democracy, only reestablished after the fall of the colonels' regime in 1974, is a fiction. The prime minister, Lucas Papademos, has been elected by no one and the austerity measures were carried in parliament by parties whose popular support has steadily disintegrated as they have carried out the dictates of the "troika"—the European Commission, the European Central Bank and the International Monetary Fund.

Moreover, MPs claimed that much of the fiscal data in the parliamentary bill was left blank, giving Papademos and Finance Minister Evangelos Venizelos the authority to decide on the targets in collaboration with the country's creditors.

With parliamentary democracy openly disintegrating,

the parliamentary parties themselves are beginning to unravel. The leader of New Democracy, Antonis Samaras, has summarily expelled from the party's parliamentary group 21 MPs who voted against the austerity program, including the party's parliamentary whip and the shadow defence and interior ministers.

PASOK leader George Papandreou expelled 23 MPs who voted against the bill or abstained, including former government ministers.

The collapse of the main parliamentary parties means that the parties of the so-called "left" are going to play an increasingly critical role as their popular support increases. Whatever their differences, they have one common feature—none of them advances the fight for the establishment of a workers government based on a socialist program. Likewise, all of the three main "left" formations—the Communist Party (KKE), the Coalition of the Radical Left (SYRIZA) and the Democratic Left—oppose the fight for an internationalist perspective based on the unification of workers across Europe in a struggle against the financial oligarchy.

As the parliamentary apparatus disintegrates, two political options, themselves symptomatic of an emerging revolutionary situation, will be exercising the minds of key figures in the ruling elite. One of those is to scrap the April elections and impose some form of extra-parliamentary form of rule, backed by the military.

Another is to consider the formation of a popular front regime, comprising a coalition between the "left" parties and dissident factions from the established bourgeois parties, to disorient the working class and thereby create the conditions for the imposition of a dictatorship.

The Stalinist KKE is already looking to play its part in such a regime. In its statements on the austerity measures, the party called for unilateral cancellation of the debt and the exercise of "peoples power so that the country's wealth can be utilised to provide prosperity for the people." The use of such terms—in opposition to the fight for the taking of political power by the working class—is the political preparation for a bourgeois coalition government.

In its report on the events inside parliament, the KKE noted that the intervention of Communist Party members "exerted pressure" and "sharpened the contradictions" in the bourgeois parties. Long political

experience has established that whenever Stalinist parties begin talking about contradictions within bourgeois parties and organisations they are preparing to join a popular front regime. The other "left" organisations will either join such a formation or provide it "critical support".

Sunday's vote and its aftermath mark a critical turning point. They make clear that there is no end to the austerity program. As soon as one set of demands from the troika is agreed to, more demands are made. This process is incompatible with any sort of ongoing parliamentary regime.

Summing up the political situation, a comment in the English language newspaper *Ekathimerini* noted there was a head-on clash between the banks and the demands of the population. "The euro zone has essentially set out what kind of government it wants after the snap election. Greek voters won't necessarily want to comply with these wishes. The respect for democratic principles that the European Union was meant to uphold could face its most severe test yet. Another edifice—the biggest and grandest of them all—could also come tumbling down."

There is more than a whiff of dictatorship in the air. The working class must prepare for the struggle ahead by advancing its own independent interests in the fight for a workers' government based on a socialist and internationalist program.

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