

THE NEW COALITION GOVERNMENT

As I have predicted yesterday Mr. Tsipras has decided to form a government with Mr. Kamenos a right wing populist politician instead of talking to left of centre parties like the POTAMI. This is a clear signal that in the first phase of this government relations with the creditors will be tense to say the least. It is also revealing of the fact that Mr. Tsipras is a great opportunist. As we all know politicians in Greece do not carry with them strong ideological baggage. A short cut to power is always welcome.

The coalition government starts with a 162 majority in the new parliament. The new government will consist of 11 ministries four of which will be super ministries from the amalgamation of several administrative units. Independent Greeks have secured one ministerial position (Ministry of Defence) and probably several junior ministerial positions. As we all know this party is a pro-religion, pro-defence, anti immigration nationalistic force in Greek politics. How these positions will be reconciled with the leftist policies (especially on citizenship) of SYRIZA is difficult to understand. No wonder there was some exasperation from some quarters sympathetic to SYRIZA both at home and abroad. Mr Kamenos has recently said that Europe is run by neo-Nazis!

“The deal is an unusual alliance between parties on opposite wings of the political spectrum but united by their opposition to the austerity programs imposed under the terms of the 240 billion-euro (\$269 billion) bailout from the European Union and the International Monetary Fund (IMF)” (Deutche Welle).

The Eurogroup is taking a cautious approach postponing any decisions for later and declaring that negotiations will start by the middle of February. The new Minister of Finance Mr. Varoufakis is making conciliatory statements towards Europe but it remains to be seen what moves the new government is going to make regarding legislative initiatives. “Nobody is forcing anything onto Greece but the obligations apply,” German Finance Minister **Wolfgang Schaeuble** said earlier today.