

## General Strike Paralyzes Greece

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Greek riot police have fired tear gas and fought running battles with protesters, amid a 48-hour general strike that has paralysed the country. Some protesters hurled petrol bombs and stones at the police, as a march by tens of thousands of people in central Athens turned violent.

Many Greeks are furious at the latest austerity proposals, which have now passed an initial vote in parliament.

EU leaders and global finance chiefs are in talks over the eurozone crisis.

French President Nicolas Sarkozy flew to Germany late on Wednesday to meet German Chancellor Angela Merkel and senior officials from the European Central Bank and IMF.

Greece is struggling to reduce a huge government deficit amid fears it may default and set off a crisis, engulfing other eurozone countries like Spain and Italy.

The EU and IMF have demanded tough cuts in return for two bailout packages, and their meeting in Frankfurt comes days before high-level EU talks on the crisis.

### Gas masks

The Greek government has so far introduced one round of austerity measures.

Parliament gave its initial approval to a bill envisaging more cuts late on Wednesday.

A final vote is due on Thursday on the measures that include plans for temporary lay-offs of 30,000 public sector workers and further cuts to pensions and salaries.

But the government is struggling to convince lenders that it is cutting effectively enough, and public anger has been growing in recent weeks.

The latest strike was accompanied by huge rallies across the country organised by trade unions, who say the demonstrations are the largest this year.

More than 70,000 people gathered in Syntagma Square in central Athens, and thousands more in cities across the country.

But outside parliament in Athens, hundreds of riot police faced off against large groups of youths, and angry clashes followed.

Protesters threw smoke grenades, petrol bombs, bricks and stones at police, and fought scuffles and running battles with officers.

Some of the youths were wearing gas masks, others had scarves wrapped around their faces.

The police responded by firing stun grenades and tear gas as they formed a defensive ring around the parliament building.

### **'Taxation Armageddon'**

The strike, called by both public and private sector unions, closed government departments, businesses, offices and shops.

Air traffic controllers staged a 12-hour walkout, with some 150 domestic and international flights cancelled.

One striker, university lecturer Yannis Zabetakis, told the BBC Greece was like "a taxation Armageddon".

"The economy is dying. Along with the economy, we are dying. The austerity measures are not working and our best people are being forced to go abroad," he said.

Finance Minister Evangelos Venizelos, whose offices were taken over by protesting civil servants earlier this month, appealed for support for the austerity measures.

He said it was an "agonising but necessary struggle to avoid the final and harshest point of the crisis".

Prime Minister George Papandreou's Pasok party has a four-seat majority, but some of his backbenchers have threatened to vote against the measures.

Greece has rising unemployment and a stalled economy and is saddled with a government debt that is 162% of its gross domestic product.

Last year the EU set up a central bailout fund and agreed to provide Greece with 110bn euros (£96bn; \$152bn).

But the loan failed to stabilise the country's economy, and the EU later agreed another 109bn euro package.

Greece has warned that it will run out of money by November if the next 8bn-euro slice of the first bailout package is withheld.

EU leaders and finance chiefs are expected to release the money later this week.

But Greece's continuing failure has led to doubts about the euro, and fears that the crisis could spread to other countries.

Critics have also questioned whether the EU's bailout fund, known as the European Financial Stability Facility (EFSF), is capable of staving off the crisis.

In a bid to reassure markets, European leaders will meet on the weekend to try to find a plan to bolster the fund - possibly by pumping more money into it, or by making it more autonomous.

In Frankfurt on Wednesday, Mrs Merkel reiterated her commitment to sorting out the system.

"If the euro fails, Europe fails. But we will not allow that," she said.

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