

BANKERS PANIC

Greek Election Could Herald Change in Europe

by Dean Andromidas

Jan. 2—The possibility of an anti-bailout and anti-austerity government coming to power in Greece, led by coalition led by the left-wing Syriza party and the nationalist Independent Greeks, has sent terror through the European oligarchy, that their Eurozone, the Europe for the bankers, will collapse. It was in Greece, in 2010, that the imposition of brutal austerity began, in an attempt to save the hopelessly bankrupt European banking system. After Greece, came Ireland, Portugal, the fleecing of the savings of Cypriots, and bankers' governments in Spain and Italy. The Greek elections on Jan. 25 could be the beginning of the end of this nightmare.

In a sign of the panic that has struck the financial oligarchy, the City of London's mouthpiece, *The Economist*, under the headline, "Greek Election—The Euro's Next Crisis," warns that the Greek crisis will "unleash fresh ructions elsewhere in the Eurozone," especially France, Spain, and Italy. It nervously asks whether the Greek election will be "Europe's Lehman moment," the trigger for the blowout of the entire system.

Gideon Rachman of the *Financial Times* suggests ending democracy, with his warning that the Greek elections will show that the "Eurozone's weakest link is the voters"—i.e., an electoral revolt against the murderous policies of the European Union.

The German Green Party's former foreign minister, Joschka Fischer, warned that "northern Europe cannot give ground to Syriza.... Any renegotiation [of the debt] would unleash a political avalanche in the southern EU that would sweep away austerity and reignite the eurozone crisis," according to the *Daily Telegraph*.

But many Greeks think otherwise. Leonidas Chrysanthopoulos, a member of the Political Secretariat of the United People's Front (EPAM), a political party opposed to the euro, and the austerity of the Troika's Memorandum of Understanding, told *EIR*, "What Greek crisis? This is a European crisis," adding that Greece will now be able to fight to regain its sovereignty and deal with the humanitarian catastrophe left by the Three Horsemen of the Apocalypse, the Troika of the European Union, European Central Bank, and International Monetary Fund. Chrysanthopoulos is one of the signatories to the resolution "The U.S., Europe Must Join the BRICS," initiated by the LaRouche movement.

After Greece, elections will be held in Spain, Britain, Poland, Denmark, Finland, Portugal, and Estonia, all in the EU and all with growing anti-EU movements and pressures. In Portugal, the new head of the Portuguese Socialist Party, António Costa, is under pressure from his party, which could very well win the election, for a renegotiation of Portugal's own bailout; debt payments there alone constitute 5% of GDP, twice the government deficit.

In Spain, where elections will be held in December, the left-wing Podemos party is leading in the polls. Formed only last year, it won more than 8% in the European Parliamentary elections, allowing it to send five representatives to the Parliament, where it is a sister party with Syriza. Syriza leader Alexis Tsipras has established good personal relations with Podemos leader Pablo Iglesias. In an effort to counter a possible Podemos win, Spanish Prime Minister Mariano Rajoy has been hinting that he may take his People's Party into a coalition with



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Syriza leader Alexis Tsipras: "With the will of our people, the austerity memoranda will ... be a thing of the past in a few days."

the Socialists. Rajoy has also called for extraordinary parliamentary session in January to debate and pass his reform of the Criminal Code and anti-corruption and party-financing laws. This could lead to surprises.

What now has to come forward in Europe is not just a challenge to the policy of austerity, but a drive to join the world economic development thrust of the BRICS (Brazil, Russia, India, China, South Africa). Europe must abandon the eurozone and create a true credit system, by implementing Glass-Steagall-type separation of commercial and investment casino banking. With this new credit system, backed by the restoration of national economic sovereignty, Europe can then reach out to the BRICS and supply the much-needed scientific and technological aid, backed by low-interest, long-term credit, to help these nations, while putting the millions of unemployed Europeans back to work.

Overthrow the Troika's Puppet Government

The Greek election is occurring 18 months early, because the governing coalition could not elect a new

President, who must receive the support of at least 180 of the Parliament's 300 members. Well before the vote in Parliament, the opposition parties Syriza and the Independent Greeks, announced that they would bring down the treacherous government by voting against the government candidate. Both the ruling New Democratic Party and its coalition partner, the Panhellenic Socialist Party (PASOK) used every means possible to win the vote.

Allegations have been made of attempted bribery. Just prior to the final vote on Dec. 29, the leader of the Independent Greeks, Panos Kammenos, gave a press conference announcing that he had presented evidence to the state prosecutor that one of his party's MPs was approached by an agent of the New Democracy party and offered a EU3 million bribe. The would-be briber had allegedly been a consultant with Deutsche Bank, and had taken part in the negotiations in 2010 that threw Greece into the deadly clutches of the Troika, including the bailout that increased Greece's debt from EU120 billion to over EU320 billion.

While the government has demagogically accused the opposition of just trying to grab power, the fact is that the opposition parties are trying to save Greece from a humanitarian catastrophe caused by four years of implementation of the Memorandum.

This is no exaggeration. On Dec. 18, the Hellenic League for Human Rights (HLHR) issued a damning 80-page report, documenting that the four years of the Troika policy have been a gross violation of the very human rights treaties that are supposedly enshrined in the various European Union charters.

The facts speak for themselves. Between 2010 and 2014, an unpayable debt of 120% of Gross Domestic Product increased to an unbelievable 175% of GDP (EU316 billion). With this debt, came the Memorandum which collapsed the economy by 25%, according to official figures. Unemployment went from 8% to 28% by the end of 2013, with youth unemployment over 60%. Unofficial figures put unemployment at 40-50%. Of the 1.4 million officially registered unemployed, no more than 110,000 receive any benefits whatsoever. The minimum wage was cut by more than 20%, pushing it well below the poverty line. For the first time, a minimum wage has been set for youth, which is close to 50% below the old minimum. In addition to massive layoffs of government workers, their salaries have been cut by 25%, which has in turn driven down wages in the private sector, where payless pay

days have become the norm. Pensions have been cut by 25-45%.

Massive cuts in the health-care system have increased the death rate.

“Unlike finances, human rights and fundamental freedoms cannot benefit from international bailouts,” Konstantinos Tsitselikis, HLHR President told the press conference where the report was released. “Economic and fiscal policies have blatantly disregarded their devastating social impacts and authorities have failed to provide the needed social support.”

Who Could Lead Greece?

The next government of Greece could very well be ruled by Syriza, led by the 40-year-old Alexis Tsipras, if it manages to win a majority or form a coalition with other anti-Memorandum parties. Both Syriza and the Independent Greeks are committed to overthrowing the Memorandum and implementing emergency measures to deal with unemployment and the financial ruin.

Following the failure of the government to win a majority for its Presidential candidate, Tsipras declared, “The government of Mr. Antonis Samaras, which has plundered the society for two and a half years ... is a thing of the past. With the will of our people, the austerity memoranda will also be a thing of the past in a few days. The future has already begun. Be optimistic and happy.”

Kammenos said that the government that “delivered the country’s national sovereignty, ... [that] governed via e-mails and with orders by the Troika, is now leaving.... We need to apply the Constitution and form a national unity government that will not execute commands of foreigners, but those of the Greek people.... We call for national unity of all forces in the country.”

Tsipras has called for a European debt conference modeled after the 1953 German Debt Conference held in London, which approved a moratorium on Germany’s pre-war foreign debt, thus allowing it to more effectively benefit from the Marshall Plan. The resulting German “economic miracle” helped lift Western Europe out of the postwar economic depression. Such a conference now would deal not only with the Greek debt, but that of other nations as well.

While supporting the debt conference proposals,



LPACTV

Independent Greeks leader Panos Kammenos speaks with Alicia Cerretani of LPACTV, during a visit to Washington in December 2013, when he lobbied Congressmen to reinstate Glass-Steagall.

Kammenos’s party has drafted legislation on offering debt relief to homeowners and small and medium-sized enterprises (SMEs). Under the Troika policy, both will be forced into bankruptcy, with homeowners thrown onto the streets and SMEs closing their doors and throwing their employees on the unemployment lines.

Both Syriza and the Independent Greeks support a Glass-Steagall-type two-tier banking system. Last year, Kammenos visited Washington where he held meetings with American Congressmen and lobbied for Glass-Steagall and policies that would help Greece overcome the Troika policies.

The future of Greece depends on Europe fully engaging with the BRICS. Here again, both parties are well placed. Both oppose the anti-Russian policy of the EU and have denounced the “Nazi coup” in Ukraine.

In respect to the BRICS, Kammenos has been the most outspoken. He is one of the signatories of the above-mentioned resolution demanding that the U.S. and Europe work with the BRICS. Leaders of other Greek parties are signatories as well, including Theodore Katsanevas, founder and chairman of the Drachmi Greek Democratic Movement Five Stars, and Leonidas Chrysanthopoulos of EPAM.

Kammenos spoke before the Schiller Institute conference on “The New Silk Road and China’s Lunar Program,” held in Frankfurt, Germany, last October. In a speech entitled “Greece and The Silk Road Economic Belt,” he counterposed the current “Europe of the Bank-

ers” to a Europe of sovereign nations-states, as promoted by the late French President Charles de Gaulle and his Greek collaborator, former Prime Minister and former President Konstantinos Karamanlis, who helped establish the Greek Republic after the overthrow of the military junta in 1975.

Kammenos declared, “The future of Greece could be better if a strategic orientation were taken to establish links with some of the most dynamic economies of the world, and to find new sources of economic support. One of these countries, besides Russia, is China.”

Kammenos then showed how Greece, through its port in Piraeus, facilitates Chinese exports to Europe, the Middle East, and North Africa. China, through its concession to manage and develop the container port in Piraeus, has already made considerable investments, in an arrangement first negotiated by Kammenos himself while a minister in a previous government.

China Reaches Out


It is significant that only a few weeks ago, on Dec. 16-17, Chinese Prime Minister Li Keqiang was in Belgrade for the third summit of China and the 16 countries

of Central and Eastern Europe, in which Greece was a participant. Li spoke specifically of developing the transportation corridor from Piraeus north through the Balkans, including from Serbia to Hungary and then on to Central and Western Europe.

At the center of China’s proposals is a commitment to help develop the region’s transport and power infrastructure, including railways and power stations, and other industrial projects.

While the European Union is offering nothing for economic development, Li made concrete commitments to the development of the region, including a \$10 billion Special Purpose Loan for infrastructure projects, as well as a \$3 billion investment fund and the establishment of a Renminbi (RMB) Cooperation Fund to help the countries of Central and Eastern Europe to raise RMB securities in China, as an alternative to the so-called international markets.

The battle lines in Europe cannot be clearer: Either it abandons the confrontation against Russia, China, and the BRICS, and abolishes the Europe of the bankers that can only lead to war, or it looks toward a far better future, through cooperation with the BRICS.



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