## **Exercise** Economics

## Greece Chooses National Survival, Not Destruction

by Dean Andromidas

Feb. 14—While most European leaders continue to follow the dictates of the financial oligarchy, Greece's position is clear: There can be no compromise between national survival and self-destruction. Greece cannot pay the illegitimate and onerous debt, nor can it continue with genocidal austerity. Greece is offering Europe the opportunity to convene a European Debt Conference, launch a New Deal, and work with the BRICS countries and their allies for a new economic paradigm.

Following the European summit of EU leaders on Feb. 12, Greek Prime Minister Alexis Tspiras declared, "Greece does not blackmail and will not be blackmailed." As for the "memorandum" of the International Monetary Fund, European Commission, and the European Central Bank (known as the Troika), he said, "Forget the program, it no longer exists. The Troika doesn't exist either."

Tsipras was backed by his coalition partner, Minister of Defense Panos Kammenos, leader of the Independent Greeks, who told Greek TV: "We are done with the memorandum and the Troika.... The government will not negotiate as Syriza [Tsipras's party] or Independent Greeks, but as the government of all Greeks, as a justification for this fight by the Greek people and the peoples of Europe."

## 'The Movement of the Squares'

The key problem for the EU is that it is not just facing a popular opposition which it can repress with tear gas and riot police, as it did three years ago. It now faces a government which, according to the latest polls, 8 in 10 Greeks support. Can Europe launch a brutal "regime change" policy of sanctions and embargoes against Greece, a member of the European Union, in which "solidarity" is claimed to be the paramount ideal?

On Feb. 11, while the Eurogroup of finance ministers met in Brussels and attempted to force Greece to sacrifice the lives of its citizens, tens of thousands, if not hundreds of thousands, of people in Europe and the Americas took to city streets and squares in support of Greece's policies of economic development and protection of national sovereignty. Greek government spokesman Gabriel Sakellaridis declared that the Greek people have given birth a new "movement of the squares," and that "hope has driven fear away."

Greece demonstrated once again that it has been revolutionized, as tens of thousands faced freezing weather and filled Syntagma Square, in front of the Greek Parliament in Athens, and more in a dozen other Greek cities. Similar demonstrations were held in Amsterdam, Brussels, London, Edinburgh, Copenhagen, Lausanne, Rome, Lisbon, Berlin, Paris, Vienna, Budapest, Madrid, Helsinki, and other cities as well, in Canada, New York and Washington, and as far away as Brasilia and São Paulo.

The LaRouche movement participated in rallies in Paris, Berlin, and New York; in the last, activists held placards such as "USA & Greece Must Join the BRICS."

With elections in a half a dozen EU countries this



A LaRouchePAC rally at EU headquarters in New York City, Feb. 11, 2015. Many thousands of people worldwide demonstrated in support of the new Greek government's defiance of the bankers' "Troika."

year alone, big surprises are expected, as the governments of Portugal and Spain, countries facing the same harsh "Troika" conditions as Greece, are likely to be swept from power.

In **Spain**, where elections are expected in November, Podemos, the sister party of Syriza, is ahead of the ruling People's Party and the opposition Socialist Party, which have dominated politics since the end of the Franco dictatorship in the 1970s.

In **Portugal**, where elections are to be held in October, the opposition Socialist Party is polling ahead of the ruling Social Democratic Party. On Feb. 12, thirty-two Portuguese personalities, including politicians, businesspeople, academics, retired military officers, and trade unionists, addressed a letter to Prime Minister Pedro Passos Coelho, demanding that he drop his opposition to the Greek proposals. The letter read, "The idea that the austerity policies must continue, is non-productive" and "Portugal must not distance itself from a movement of European cooperation and must take active part in a talk of reviewing the economy and social politics of countries that have suffered the worst for the last six years."

Unfortunately, the warning fell on deaf ears, with Coelho reiterating his position that he will not support any proposals of debt cancellation or re-evaluation.

In **Italy**, **Ireland**, and several other countries where elections are not scheduled this year, the governments

are shaky and could very well be forced to call early elections.

## Not a 'GREXIT,' but a 'BRICSIT'

While the media is filled with commentary on a possible "GREXIT"—a Greek forced or voluntary exit from the Eurozone—the option that Greece is calling for is really what one Greek observer described to EIR as a "BRIC-SIT," whereby Greece joins the BRICS (Brazil, Russia, India, China, South Africa). While any country would be better off outside the Eurozone, the idea of an orderly separation for Greece is impossible. If Greece leaves, Italy, Portugal, and even Germany could follow. That is why a European Debt Conference, one of Syriza's demands, should be held. It could provide, as EIR has

written (Jan. 23, 2015), the forum where Europe's bankrupt banking system could be dismantled through a Glass-Steagall-style separation of commercial and casino investment banking. This could be followed by settling the European debt and establishing a European Infrastructure Investment Bank, which would cooperate with the Chinese-initiated Asian Infrastructure Investment Bank (AIIB) to build the great transport and development corridors integrating Europe into the World Land-Bridge.

For the Greek government, it is not either the EU or the BRICS: Greece is offering to serve as a bridge between Europe and the BRICS. Prime Minister Tsipras has said this over and over again, as in his recent trip to Cyprus, where he said Cyprus and Greece can serve as a "bridge of peace" between the EU and Russia.

On Feb. 10, Defense Minister Kammenos called for a "Plan B," if the EU rejects Greece's proposals; this would include seeking financial aid from the U.S., Russia, and China. "It could be the United States at best; it could be Russia; it could be China or other countries," he said. This could take the form of concessions for major infrastructure, like ports, in which Moscow has expressed an interest. "What we want is a deal," stressed Kammenos. "But if there is no deal and if we see that Germany remains unbending and wants to blow Europe apart, then we have the obligation to go to Plan B. Plan B is to get funding from another source. I have

a very good relationship with Russia. We talked with the Russians about Plan B. They think about lifting the embargo on Greek products, and to resume imports. We are interested in cooperation on the pipeline with the Russians."

While Kammenos's party won close to 5% of the vote in the election on Jan. 25, polls show that his current approval rating is over 65%.

Foreign Minister Nikos Kotzias, at his first EU foreign ministers' meeting earlier this month, told the press that the EU "needs to be more than sanctions and memorandums," a reference to the Troika's policy.

In an interview with the German weekly *Der Spiegel*, Kotzias pointed to the strategic importance of Greece to Europe: "Greece is in the middle of a triangle. Ukraine is at the top, Libya is on the lower left, and on the lower right is the Middle East, at a distance of just 300 kilometers from us. All of these regions are destabilized. What would happen, for instance, if, under immense pressure on economic issues, Greece was destabilized as well? That would create a line from Russia, through Ukraine and the Balkans, to the Middle East and North Africa. A vast arc that could bring millions of migrants to Europe. Then the whole of Europe would be destabilized. What we are saying is, peace and justice in Ukraine are of equal importance with stability in Europe."

On Feb. 11, Kotzias was in Moscow, where he met his counterpart, Sergei Lavrov, and said that Greece will explain to its European partners that all problems must be solved through negotiations, or a humanitarian crisis will arise. He declared, "Our relationship with Russia is one of honest friendship." Lavrov in turn suggested the possibility of offering Greece aid if necessary.

After being invited to Russia by President Vladimir Putin to attend Russia's celebration of the victory over Nazi Germany, in May, Prime Minister Tsipras was reported in the Greek press to have received an invitation to visit China. While this was not confirmed, on Feb. 11, Chinese Prime Minister Li Keqiang telephoned Tsipras to congratulate him on his inauguration as prime minister, and declared, "China values its traditional friendship and consistently expanding pragmatic cooperation with Greece," as equal partners seeking mutual benefit, and will "take the relationship to a higher ground." Li pointed to the role of the Chinese state shipping company, COSCO, and its leasing of the container terminal at Piraeus Port. He said China is ready to cooperate with Greece to develop the port as an important hub for the region, a bridge for realizing the



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Greek Foreign Minister Nikos Kotzias (left) with Russian Foreign Minister Sergei Lavrov, in Moscow on Feb. 11. Greece is putting itself forward as a "bridge" between the EU and Russia.

China-Europe land-sea express passage and boosting Eurasia connectivity.

Tsipras replied that in Greece's efforts to revive its economy, assistance from China is critical, especially in areas such as maritime affairs and shipping, as well as infrastructure and finance.

Earlier in the week. Li invited Greek Minister of Productive Reconstruction, Environment, and Energy Panagiotis Lafazanis to visit China later this month. Lafazanis has become infamous in the corridors of the European Commission building in Brussels, for his announcement that he will review, and if necessary reverse, all the privatizations of the past government, especially in the energy and transport sector. Those sectors have everything to do with assuring the development of Greece's connectivity to the BRICS and allied countries. Decisions in the energy sector are directly related to Greece's cooperation with Russia's Gazprom, which has expressed interest in building a gas pipeline through Greece. Also crucial is the completion of the rail line from Piraeus north to Thessaloniki and the Balkans, where China is helping the Former Yugoslav Republic of Macedonia (FYRM), Serbia, and Hungary to rebuild and expand their railways.

Greece can always "connect" with the BRICS on its own, but it would be far better for Europe to drop its suicidal economic and political policies and take up Greece's offer.