



## Greece refuses to bow to Euro-dictatorship, declares debt illegitimate

Greece has refused to budge from its principled approach to negotiations over its debts, sparking an enormous furor across the globe and setting the stage for the collapse of the entire trans-Atlantic financial system. The expiry of the €245 billion bailout—extended by four months in February—and the deadline for payments of €1.6 billion to the IMF, coincide on 30 June.

Two days ago the Greeks stepped up the fight even further by declaring the debt illegitimate. A parliamentary commission established to investigate the legitimacy of the Greek debt—the Debt Truth Commission<sup>1</sup>—released its preliminary findings on 17 June, which state the following:

“All the evidence we present in this report shows that Greece not only does not have the ability to pay this debt, but also should not pay this debt first and foremost because the debt emerging from the Troika's arrangements is a direct infringement on the fundamental human rights of the residents of Greece. Hence, we came to the conclusion that Greece should not pay this debt because it is illegal, illegitimate, and odious.”

US statesman and physical economist Lyndon LaRouche concurred, demanding that nations be relieved of the claims of the bankrupt euro system. “The solution”, he said, “is an international policy of Glass-Steagall banking; agreements among these nations to implement Glass-Steagall principles.”

Even before this latest move, the EU authorities reacted to Greece's intransigence on a debt deal by threatening to shut down Greece's economy. According to a report in *The Telegraph* of London on 15 June, “the European Commission lashed out at the Greeks and warned that the country would collapse into a ‘state of emergency’” unless a deal was reached.

The article cited the German publication *Süddeutsche Zeitung*, which reported that “the creditors are drawing [up] an ultimatum to the Greeks, threatening to cut off Greek access to the European payments system and forcing capital controls on the country as soon as this weekend. The plan would lead to the temporary closure of the banks, followed by a rationing of cash withdrawals”, as was imposed upon Cyprus in 2013.

Reportedly the central bank of Macedonia on 12 June ordered a halt to all withdrawals by Greek banks from Macedonian banks or from the central bank, in case of a Greek exit from the euro, and an 11 June conference in Bratislava, Slovakia, “war-gamed” scenarios which could follow a Greek default.

The EU and IMF are demanding that Greece cut pensions by €1.8 billion per year—nearly 1 percent of GDP—and raise another €1.8 billion per year by increasing or changing the value-added tax. Greek leaders have become increasingly defiant of their EU counterparts over recent

weeks, refusing cuts to pensions or wages and demanding debt relief instead.

At the debt negotiations which broke down in Brussels on 14 June, Prime Minister Alexis Tsipras declared that, “If Europe desires the split and the continuation of subjugation, we will make the big decision to say ‘no’ and fight the battle for the dignity of the people and our national sovereignty.” Two weeks earlier Tsipras had declared that the European Union was establishing a new authority with dictatorial powers to force nations' acceptance of neo-liberalism, and Greece was the guinea pig.

Tsipras and other Greek MPs have now accused the EU of plotting regime change, or a coup by stealth, by forcing Greek leaders to drop their demands and compromise on the debt and its conditions—something which would destroy the government's credibility and standing.

*The Telegraph* of 14 June elaborated on what the Greeks have in mind instead of bowing to the Troika's demands: a 2008 Iceland-style default and nationalisation of the banks. According to the article's author, Ambrose Evans-Pritchard, the plan being circulated by 30 MPs on the left of the party includes capital controls, the establishment of a sovereign central bank, and a return to the drachma, or dual currency arrangement. A Syriza MP told Evans-Pritchard, “This goes way beyond the Left Platform. We are talking serious numbers. We are all horrified by the idea of surrender and we will not allow ourselves to be throttled to death by the European Monetary Union.” Another Syriza MP is quoted saying, “The banks will go ape-s\*\*\* of course. We are aware that there will be a lot of lawsuits, but at the end of the day we are a sovereign power.”

This mindset is the real issue at stake, and it is driving the trans-Atlantic financial powers wild. As their speculation-infested system collapses, they can ill-afford nations to put their sovereignty and their people ahead of the banks which require unprecedented looting to prop up.

What they fear even more is a move by a western nation such as Greece to align with the BRICS bloc and collaborators, to independently fund its recovery—as was foreshadowed in early May when Russia invited Greece to become a member of the BRICS New Development Bank. Greece may well demonstrate that a European nation can escape the neo-liberalism and austerity which is killing people in the EU, take the alternative pathway of building its way out of the crisis as demonstrated by the BRICS, and set off a stampede to the Eurozone exits.

*The CEC is calling for Australia to align with the BRICS also, Please sign the petition.*

1) <http://greekdebtruthcommission.org/>

# PETITION

## Australia must secure its future by aligning with the BRICS in a new, just world economic order

### TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE HOUSE OF REPRESENTATIVES

This petition of the Citizens Electoral Council draws to the attention of the House the opportunity for Australia, and all nations, to participate in the process that the BRICS nations of Brazil, Russia, India, China, and South Africa have initiated: to create a new financial architecture for the world based on equitable and inclusive multilateral credit institutions that prioritise investment in physical economic development, instead of speculation.

The present, inequitable IMF-World Bank system is collapsing under the burden of hundreds of trillions of dollars of unpayable global debts and derivatives obligations, including the Australian banking system's derivatives exposure of more than \$27 trillion. This is the legacy of decades of reckless financial speculation unleashed by IMF-enforced deregulation, and is the driver of the world's present strategic tensions

which have increased the threat of a thermonuclear world war.

Through such new financial institutions as the \$100 billion New Development Bank, the \$100 billion Asian Infrastructure Investment Bank (AIIB), the \$40 billion Silk Road Development Fund, the \$20 billion Maritime Silk Road Fund, and the planned Shanghai Cooperation Organization (SCO) bank, the BRICS nations will direct massive investment in much-needed physical infrastructure projects on which all nations can collaborate, forging a basis for lasting global peace and economic prosperity.

We the undersigned therefore petition the House to commit Australia both to full participation in the AIIB, and to full support for the BRICS-initiated process of creating a new financial architecture for the world as the basis of a just economic order.

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