

# Greece's Debt Overhang. Looted by Wall Street and the European Central Bank

Open Letter to Mr. Alexis Tsipras, Prime Minister of Greece

By [Peter Koenig](#)

Region: [Europe](#)

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*Dear Mr. Tsipras,*

Let me first congratulate you for winning the elections on 25 January 2015. And congratulations also for dismissing the troika as one of your first deeds. Well done!

It is encouraging to see that the majority of voting Greek dares to vote for a change from the relentless misery imposed by the infamous troika - ECB, EC and IMF. The Greek people have entrusted you with the delicate task of pulling Greece out of the morass, where she has been put - totally unjustified - by this notorious troika.

Mr. Tsipras, your Government has been tricked into believing that Greece's debt is insurmountable and could pull Europe into an abyss. Instead your country is being looted by Wall Street and their European allied too-big-to-fail banksters. Of course, with the connivance of your neoliberal predecessors, some of whom have been associated with one of the biggest Wall Street gangsters, Goldman Sachs. Indeed, the President of the European Central Bank has also been associated with this criminal financial institution. In other words, the EU financial system today is run by the extended arm of Goldman Sachs - and its Washington masters.

Neoliberalism is a murderous plague. It is invading at brushfire speed the entire western world. What makes it even more diabolical is that it controls almost all the western media. Ninety percent of the news we get in the West are controlled by six giant Anglo-Saxon media corporations. They dish out every day nefarious propaganda - lies after lies after ugly lies. They brainwash people into believing what is not.

They made Europe believe that Greece with a mere 2% of the Eurozone GDP and with about 109% debt to GDP in 2009 was a danger for Europe. If Europe was to survive economically, Greece had to be 'rescued' - and that with hundreds of billions of Euros in new debt!

The Greek debt would have been totally manageable without outside interference. Compare it with the US current debt of 105%, and with 'long-term unmet obligations' (5 years) of US\$ 128 trillion, more than seven times its GDP; debt that will never be paid back, but is largely absorbed by foreign nations who hold dollar reserves - as long as the dollar remains the world's main reserve currency.

That's when the infamous troika struck - the extended arm of Washington. It decided that Greece would need about €300 billion in different packages over about 4 years. They imposed their usual draconian conditions. Your neoliberal predecessors played along.

Greece had to punish its population with severe 'austerity' programs. In reality, 'austerity' is a mere euphemism for the misery they forced the Greek Government to impose on its people; privatizing public assets, reducing public services, health and education benefits, pensions, minimum wages, dismissing public servants - overall increasing unemployment from about 10% to close to 30%, and above 60% for young people, as you well know, Mr. Tsipras, causing outright famine and sometimes death from sheer destitution.

The ECB would not lend directly to Greece at favorable interbank rates as central banks normally would. The ECB was not created as a central bank, but as a watchdog and manipulator of the European economy, in the service of its North American masters. The ECB lent to giant too-big-to-fail mostly German and French banks at interbank rates of 1% or less. These banksters then on-lent the proceeds to Greece at horrendous 6% or 7%. They pocketed huge profits. They claimed the 'risk' justified the margins. They knew they would never lose. If Greece was unable to repay the debt, the money would come from the European tax-payers.

If this model worked, the troika could apply it elsewhere in Europe.

As you know, Mr. Tsipras, it did work. Solidarity among European nations, if it ever existed, was decimated by neoliberalism. Greece was followed by Portugal, Ireland, Spain and even Italy, who at that time was led by Mr. Monti, also a former Goldman-Sachs henchman.

Later the evil troika applied an even more drastic formula to Cyprus. Instead of 'bailing out', they insisted on 'bailing in', meaning that the banks had to take (steal) the money from their depositors. This new 'rescue model' has recently been approved in the US as the new norm, and soon thereafter it was also sanctioned by Brussels. Not surprisingly it got very little press coverage, lest it might have caused a run on the banks.

Hence, the artificial Greek crisis morphed into a manufactured European crisis. The media hype allowed it, as nobody asked, why? - Why a crisis when the European economy was so much stronger than that of the US; was then and still is today. It was and is backed by a solid economy.

The real purpose behind this fake European economic calamity was the weak dollar at the time. It risked to be replaced by the euro as chief reserve currency - which would have jeopardized the dollar's world hegemony.

The combined EU economy (28 member countries) was then and is still today the world's strongest economy - €14.303 trillion (US\$18.451 trillion, est. 2014), as compared to that of the US with US\$ 17.4 trillion. Hence, the euro had to be weakened - not destroyed, it was needed for trade and to subordinate Europe - but severely weakened, so that the dollar could regain its inflated strength. And - as an added benefit, the European mafia banksters and their transatlantic partners filled their pockets with the proceeds of Southern Europe's public and social services.

Thanks to the media propaganda and deceit machine, it worked again. Europe's debt increased from an average of about 70% in 2009 to close to 100% of GDP today. Greece's GDP declined from € 242 in 2008 to € 201 in 2014 (-17%) and her debt increased by 21% to 160% in the same period. The dollar is kept artificially strong and the euro weak.

Today, Mr. Tsipras, you were in Brussels and Mr. Varoufakis, your Minister of Finance, was in

London and Frankfurt, seeking understanding for the Greek predicament, seeking forgiveness or postponement of debt. You will shake hands and even embrace with these cold, calculated leaders of Europe and European finance, but they will not budge. They will embarrass you; they will try to scare you with expulsion from the Eurozone.

There is only one way out for Greece, Mr. Tsipras: You take the first step; you exit the Eurozone at your own initiative, return to your solid currency the drachma, and start anew. You may look at the example of Argentina in 2001, when she decided to abandon the imposed peso-dollar parity, devaluing her currency and starting afresh - with the principle of local production for local markets. Forget globalization. It has killed many economies around the world and hundreds of thousands of people. You may then renegotiate the Greek debt under YOUR terms. Greece has the background for a solid economy with her biggest asset - a wonderful and well educated people.

Perhaps equally important, you will open a gate for other European countries in distress to follow your example. You may evoke a new solidarity among nations. That's what Brussels is most afraid of. If that happens their house of cards may collapse - and with it possibly the entire dollar dominated western casino scheme.

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