

# Greece's Reponse to the Banksters: Piece by Piece or All at Once? "What is Best for Greece is a Moratorium on payments and outright Default"

By [Bill Holter](#)

Global Research, July 08, 2015

Region: [Europe](#)

Theme: [Global Economy](#)

*The Greeks voted "no" and should be applauded for their valor! Knowingly or not, their no vote has added extra cards to their hand. They now have more options than they would have had with a yes vote. In fact, Greece still has the only option they would have had with a yes vote (cut a deal for "more aid" and austerity), plus many other which pressure the lenders. I must say, a "vote" coming from the cradle of democracy CONTRARY to what the banksters wanted is a breath of fresh air!*

Now what? Greece basically can go down three very different roads. They can use their "new freedom" to either negotiate new aid and restructuring, they can stay in the Eurozone while not paying on their debt and using a new drachma or, ...they can go full Iceland! Please understand this, no matter what they choose, their banking system is inedible toast and they cannot pay their debt service let alone the principal. The bottom line is "someone" will have to eat the losses. Whether it be the ECB itself, European banks or whomever, the debt will not be paid and someone, somewhere will have to "lose". Keep in mind this is happening while liquidity is already quite tight.

It is possible we could see some sort of deal where "the world is saved" and a violent short covering rally in everything ensues. Should this occur, do not be fooled because nothing can nor will be fixed. Can they buy a month or three months time with Greece? Probably but as liquidity is drying up, accidents are more likely to happen. Countering this thought process, Greece does also have an "out" should they decide to turn toward any help offered by Russia and China. If this is the choice, I believe it's a very good bet that rioting and even a coup may be "helped" from the shadows. I won't elaborate on this but should it appear Greece is moving away from the West, unrest of all sorts will surely be "stirred" up!

Of their options available, I personally believe they should go "whole hog Iceland". What is best for Greece for the future would be to put a moratorium on payments and outright default. They would then be forced to issue a new drachma to conduct commerce with. I also believe they should leave the Eurozone and focus trade toward the East where their new drachma would be more likely to be accepted. Greece would be forced to "start over" from ground zero, not a happy prospect but one where at least a foundation exists. The "old" world order will not stand in the long run, it may fall apart piece by piece or all at once.

The piece by piece scenario would include Portugal, then Spain, and then Italy (with France mixed in there) wanting to go down the same Greek road. We very well may see national referendums becoming the new fad. All of these countries will want some sort of

relief from their debt as the numbers are clearly unsustainable. Talk of the situation being contained is laughable. So laughable, the whole system could go from “normal” to “over” in 48 hours in my opinion.

Look around the world, China is now down 25+% in just over three weeks. Europe, it’s currency and even the Union itself is in question ...and the Federal Reserve needs to do something in the credibility department. What I am saying is this, can the Fed really tighten ANYTHING in the current environment? As I mentioned previously, liquidity is rapidly going away ...in an over indebted system this is the most potent of poison! As I see it, a massive dose of new QE will have to be administered just to keep the doors open. Watch for this!

Meanwhile, “we” look like idiots to those we have tried to help. While the credit market is on the cusp of breakdown and full seizure, gold and silver prices got smashed again today. Funny thing though, even though there has been so much “selling”, the U.S. Mint has apparently suspended sales of Silver Eagles! I will ask the question again as I have before, if there is so much “selling” of silver, why can’t the Mint source it to sell? It is their mandate! It is the law (which matters not anymore)!

Are we moving into a zone where COMEX prices will get hit further ...while the mint sells nothing until August (if we even make it to August) ...and then we see some sort of credit/financial/international event where force majeure is declared? For whatever reason the Mint can conjure ...can’t source metal ...can’t keep up with demand ...or whatever, a suspension of sales does not jibe with massive panic selling of “metal”. Unless of course they say “we are suspending sales because there is no demand”. I am sure a statement like this could be spun as Gospel truth!

Are we stand on the verge of the global credit markets coming to a grinding halt? In our current world, NOTHING that we consider “normal” will transact or transpire without credit.

The original source of this article is Global Research  
Copyright © [Bill Holter](#), Global Research, 2015

---

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Bill Holter](#)

### **About the author:**

Bill Holter writes and is partnered with Jim Sinclair at the newly formed Holter/Sinclair collaboration. Prior, he wrote for Miles Franklin from 2012-15. Bill worked as a retail stockbroker for 23 years, including 12 as a branch manager at A.G. Edwards. He left Wall Street in late 2006 to avoid potential liabilities related to management of paper assets. In retirement he and his family moved to Costa Rica where he lived until 2011

when he moved back to the United States. Bill was a well-known contributor to the Gold Anti-Trust Action Committee (GATA) commentaries from 2007-present.

**Disclaimer:** The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: [publications@globalresearch.ca](mailto:publications@globalresearch.ca)

[www.globalresearch.ca](http://www.globalresearch.ca) contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: [publications@globalresearch.ca](mailto:publications@globalresearch.ca)