

Will Greece Be First in Europe To Join the BRICS?

by Dean Andromidas

Feb. 2—The Greek people gave Syriza and the Independent Greeks an overwhelming mandate in the July 25 elections to say “*ochi*” (“no”) to their foreign oppressors. The performance of the new government, led by these two parties, in its first week in office, demonstrates that it is fulfilling expectations—much to the consternation of the Euro-fanatics bent on saving their dying financial system.

This is not a “coalition” government, patched together to implement the wrong policies. This is a government of “national salvation” that is not intimidated by bankers in three-piece suits, the pale-faced European Commission bureaucrats, including EC president Jean-Claude Juncker, or the likes of German Chancellor Angela Merkel, let alone the silly Dutch Finance Minister Jeroen Dijsselbloem, who chairs the Eurogroup of finance ministers, who claim to be the “partners” of Greece, but in reality, are in the thrall of the hopelessly bankrupt European banks.

Just as important as this government’s gutsy defiance against the financial imperialists, is the real possibility that Greece could become the first European country to join the BRICS. If Greece’s European “partners” attempt to carry out the threats they have made, Greece—despite its determination to convince them that it is in the interest of all of Europe to cut Greece’s debt in the context of a “New Deal-style” policy—has the ability to turn to new allies: Russia, China, and the emerging new economic order being created by the BRICS and allied countries.

The new government, headed by Syriza’s Alexis

Tsipras, has already declared, loud and clear, that the bailout debt of over EU246 billion, or 180% of the country’s rapidly shrinking gross domestic product, cannot, and will not, be paid. As for the infamous “memorandum” of the Troika (European Commission, European Central Bank, IMF) and its brutal austerity and so-called “structural reforms,” which have left Greece suffering in a humanitarian catastrophe, it is now history. The government immediately began implementing its program of reversing the most brutal of measures.

Just as important, the Tsipras government has reiterated its proposal for a European Debt Conference modeled on that which led to the German Debt Agreement of 1953, which cut Germany’s pre-war foreign debt by more than half, and stipulated that payments could come only from surplus revenues from returns on exports.¹ Further, the government is calling for a “New Deal” for Europe, with credits going to infrastructure and other projects to relaunch the European economy.

In fact, both Syriza and Independent Greeks support Glass-Steagall-type legislation to separate commercial and investment banking, which has to be implemented if Europe is to be saved.

The Greeks Say No

Even before his first cabinet meeting, Prime Minister Tsipras issued an unequivocal “no” to an attempt by

1. See Dean Andromidas and Paul Gallagher, “A Greek Proposal: Convene a European Debt Conference for 2015,” *EIR*, Jan. 23, 2015.



The new Greek government, led by Prime Minister Alexis Tsipras, has wasted no time in delivering on its campaign promises to overturn the brutal austerity measures imposed by the EU dictatorship. Here, Tsipras (center), with members of the Cabinet, Jan. 28.

the Euro-fanatics to bulldoze ahead with new sanctions on Russia. When EU president Donald Tusk of Poland, claiming to speak for all 28 member-nations, threatened Russia with new sanctions over Ukraine, Tsipras issued an statement declaring, “We underline that it does not have our country’s consent.” And indeed, when the EU foreign ministers met the next day (Jan. 29) to deliberate on new sanctions, Greece reportedly rallied other countries, including Austria, Italy, and Hungary, to block them, although the old regime of sanctions was extended until September.

The second “no” came on Jan. 30, when Dijsselbloem, president of the Eurogroup, arrived in Athens to read the riot act to Prime Minister Tsipras and Finance Minister Yanis Varoufakis, demanding that they stick to the poisonous memorandum, and to “the [austerity] agreements.” The meeting lasted less than 30 minutes. In the press conference that followed, the silly Dutchman said a debt cut was impossible, and pooh-poohed the idea of a European debt conference, claiming that his Eurogroup was the only venue for talks, and repeated the mantra that Greece must keep to its “commitments.”

Varoufakis then announced that Greece will only speak directly to the legitimate institutions of the EU, and the IMF. As for the EU7 billion tranche of the bailout Greece was supposed to receive only after it implemented all of the new conditions, Varoufakis rejected that as well. He added, referring to the new govern-

ment’s policy of breaking with the Troika, “This platform enabled us to win the confidence of the Greek people. Our first action as a government will not be to reject the rationale of questioning this program through a request to extend it,” and that it would not accept a “self-fed crisis” of deflation and non-viable debt.

This resounding “no” to the “arrogant Dutchman” pleased Greece’s cultural and political patriarch, world-famous composer and resistance fighter Mikis Theodorakis, who,

after five years of witnessing the Greek people turned into “second-class citizens” in Europe, likened the outcome of the meeting to a “miracle,” declaring in a statement posted on his website:

“Two representatives of these second-class people, Tsipras and Varoufakis, with a rare calm and coolness, presented him [Dijsselbloem] with two luminous, yet kind ‘no’s’ that angered him to the point of forgetting his role as a ‘European nobleman’—prompting him to storm away looking for the fastest exit.

“It is at this point that all is forgotten. We once again become beautiful Greeks. We stand taller. How and why it happened, and where it will lead, are details for the Greeks who have lived and survived with symbolism. And I consider it cowardly to focus on trivialities in a moment of national pride.”

Ripping up the Memorandum

The government is now ripping up the memorandum—but make no mistake, this is not a government of naive radicals. A look at the new cabinet finds a group of men and woman with the strong convictions, determination, and capabilities to carry out a policy that will regain the country’s sovereignty and reverse the catastrophe its “European partners” have inflicted on it.

Reportedly, the number two in the government is Deputy Prime Minister Yanis Dragasakis, who, as overall coordinator of economic policy, will also oversee negotiations with the EU. He is a former leader of the

Communist Party and a longtime leader of Syriza. As a student, he resisted the military dictatorship that ruled Greece between 1967 and 1974.

The outspoken Finance Minister Varoufakis was a professor of economics, and has taught at the University of Athens, and at universities in England and Australia, and more recently, at the University of Texas in Austin. He is a supporter of Glass-Steagall-type legislation, a policy which is included in the Syriza program. He sees infrastructure development, especially railways, as crucial for a Greek economic recovery.

The first announcement of the Minister of Productive Reconstruction, Environment, and Energy, Panagiotis Lafazanis, was the cancellation of the privatization of the state energy companies, electricity, gas, and petroleum, to the great dismay of the Troika. He expressed Greece's support for Russia's proposal for a new gas pipeline through Turkey, which will then pass through Greece. This new pipeline would replace Russia's proposal for a South Stream pipeline through Bulgaria, and thence to Central Europe, which the European Union killed. The new pipeline could make Greece an "energy hub," leading to Italy to the west, and the Balkans and Central Europe to the north.

As a student, Lafazanis was imprisoned by the military dictatorship for organizing anti-junta student strikes at the university. It is said that he is not intimidated by threats that Greece will be thrown out of the Eurozone.

Minister of Economy, Infrastructure, Shipping, and Tourism, George Stathakis, and his undersecretary for Shipping and the Aegean, Thodoris Dritsas, announced the cancellation of the privatization of the Pireaus Port Authority. The move has no effect on agreements with the Chinese State Cosco shipping company, which holds a 30-year lease on one of the port's container terminals. In fact, both ministers met with China's Ambassador to Greece, Zou Xiaoli, and made it clear that China's interest in the port will not only be protected, but expanded. Over the last three years, China has made Piraeus its number one port of entry for its exports to Central and Eastern Europe, and is engaged in a second expansion project at a cost of EU250 million.

Another senior member of Syriza, Giorgos Stathakis has a PhD from the University of Newcastle, England, and has been a research fellow at New York University and Harvard. He is an expert on the Marshall Plan.

In another reversal of policy, Undersecretary of Ad-

ministrative Reform and Electronic Government George Katrougalos announced the rehiring of civil servants whose dismissals were ruled unconstitutional by the Constitutional Court. A professor of constitutional law, with degrees from the University of Athens and the Sorbonne, and a human rights lawyer, he is also an expert on institution-building, having worked on projects in Slovakia, Uzbekistan, Syria, and other countries. Although relatively new to Syriza, he was the party's representative at the European Parliament.

The new Minister of Health and Social Insurance is Panagiotis Kourouplis, whose task will be to rebuild Greece's health-care system, which was all but destroyed by the Troika, and to restore health care to the hundreds of thousands of Greeks who have been thrown out of the system. One of the most respected political figures in the country, Kourouplis, who is blind, has been a fighter for the rights of the disabled since his days as a student in the School of the Blind. He holds a PhD in sociology and is an attorney.

He is joined by his Deputy Minister Andreas Xanthos, who served many years as a medical doctor in the National Health system. An expert on health-care systems, he has participated since 2008 in a community clinic offering services for the thousands who have no access to private or public health care.

Will Greece Join the BRICS?

The Greek government will be implementing a "multi-dimensional" foreign policy in which the BRICS are expected to play a leading role.

Shortly after the election, Tsipris paid a visit to the Russian Embassy, thus making Russian Ambassador Andrey M. Maslov the first foreign envoy to have met him. The visit prompted a congratulatory message to the prime minister from Russian President Vladimir Putin, who expressed his "confidence that Russia and Greece will continue to develop their traditionally constructive cooperation in all areas, and will work together effectively in resolving current European and world problems."

Later in the week, Russian Finance Minister Anton Siluanov told CNBC that if Greece made a formal proposal for a loan, Russia would certainly consider it.

Tsipras and other leaders of his party have denounced the "Nazi coup" in Ukraine, and the sanctions imposed on Russia. Last year, he paid a visit to Russia where he met political leaders in Moscow.

In congratulating Syriza on its election victory, Chi-



Greece's orientation toward the BRICS new paradigm can be seen in its partnership with China in the development of Piraeus Port. Here, in January, Chinese Cosco officials celebrate expansion of a pier at the Port, with former Prime Minister Antonis Samaras (second from left).

na's Foreign Ministry spokeswoman Hua Chunying said: "The Chinese side expresses its congratulations. China and Greece enjoy a long-standing friendship, with the two peoples closely attached to each other. The Chinese side highly values relations with Greece and hopes to work together with the new Greek government to deepen exchanges and cooperation in various areas and keep advancing the comprehensive strategic partnership of China and Greece...."

It would be hard to find anyone in the cabinet who has any reservations about expanding relations with China, Russia, or the other BRICS nations—Brazil, India, and South Africa. For example, Defense Minister Panos Kammenos, leader and founder of the Independent Greeks, addressed the Schiller Institute conference on "The New Silk Road and China's Lunar Program" held in Frankfurt, Germany last October, where he laid out his party's perspective of developing relations with China and Russia (see *EIR*, Nov. 7, 2014).

Foreign Minister Nikos Kotzias is an expert on the BRICS, a former professor of foreign policy at the University of Piraeus, where he was instrumental in developing programs on China, Russia, and the BRICS. In an interview given last September to the China and Greece website (<http://chinaandgreece.com/>),

he said he teaches the course Society and Foreign Policy of China because "China, the fastest growing economy in the world, is the most important one.... Moreover, the Chinese civilization has almost a brotherly likeness with the Greek one. Greece invented democracy and China invented the organized state. The people of both countries have important traditions, as well as common elements in their ancient civilizations, and the philosophical and ethical questions they asked themselves approximately 2,500-3,000 years ago...."

He continued, "The role of China in the world is crucial. China is a great economic and cultural power, which seeks to achieve its harmonious development. It is important to mention that although China had controlled culturally inferior states, it never created colonies in the Western way.... Moreover, China understands the requirements of the multipolar world, it pays attention to respective balances,

avoids interference in other countries, and respects all players of the international system...."

Greece, Kotzias said, "can become the bridge between China and the EU."

The *Financial Times* Jan. 31 reported that the head of the China Pacific Construction Group (CPCG), the company that is constructing the Nicaragua Inter-Oceanic Grand Canal, announced CPCG's intention to invest in infrastructure in Greece and other countries of the Balkans.

Yan Jiehe, founder of CPCG, told the *Financial Times*, "I will soon go to eastern Europe; FYROM [Former Yugoslav Republic of Macedonia], Albania, and Greece. I want to invest in infrastructure there and intend to buy construction companies."

Greece has managed to establish a beachhead against the financial oligarchy in Europe. It must do whatever is necessary to regain its sovereignty and to roll back the catastrophe inflicted on it by the Troika and the Eurogroup. The big question is whether the rest of Europe and the United States will rise up in a similar manner against the financial oligarchy that is driving the world to war and devastation, force the implementation of Glass-Steagall, establish a Hamiltonian credit system, and join the BRICS.