Written by Charles Scaliger on August 15, 2015

The Greek Tragedy: A Salutary Lesson to Americans

Greece's third bailout in five years appears to be a done deal.

After months of bitter wrangling with creditors and European Union authorities, the Greek government is being thrown yet another financial lifeline weeks after defaulting on a payment owed to the IMF. Greece's new ruling party, the hardline left wing Syriza Party, led by brash Greek Prime Minister Alexis Tsipras, swept to power at the beginning of the year, promising not to accept any further "austerities" (tax hikes, spending cuts, reductions in benefits, and the sale of state-owned assets) from international creditors. But in the end, after seeing their money supply cut off, Greece's new rulers, cowed by the power of the international money cartel, has done just that.

The new deal, which has caused bitter divisions within the Greek government, contemplates another €86 billion lifeline, paid out over three years, that will keep the payments on interest flowing — in exchange for more tax hikes, spending cuts, and the sale of state-owned assets, including seaports, airports, communications infrastructure, and publicly owned land, for a hoped-for price of more than €50 billion. Greece's creditors have so far not agreed to any further debt relief, but are open to some restructuring in October if Greece makes a good faith effort to abide by the terms of the agreement.

Although Greece's parliament has voted overwhelmingly to support this latest bailout, for which €10 billion will become available immediately to recapitalize Greece's banks, many in Tsipras' own party have voiced bitter opposition. "I feel ashamed for you. We no longer have a democracy … but a Eurozone dictatorship," said Syriza Party member and former Greek energy minister Panagiotis Lafazanis.

Which is precisely the point. No party to the Greek crisis — except for the Greek people themselves and a few of their firebrand politicians — is willing to permit a "Grexit" (Greek exit from the Eurozone), because doing so would set a precedent for other members of the currency union, like Spain and Portugal, whose economies are in shambles and who may be thinking about bolting. "On [the] basis [of this agreement], Greece is and will irreversibly remain a member of the Euro area," gloated European Commission President Jean-Claude Juncker as soon as Greece agreed to the terms of the new bailout.

The architects of the European Union intend for it to be permanent, and the European currency union, or Eurozone, is designed to give Eurocrats the power to compel unwilling members to stay within the fold. The currency of the EU, the euro, is produced by the European Central Bank, not by member states; technically, the national banks of member states all have the authority to print euros, but the European Central Bank (ECB) has sole authority to set monetary policy, including authorization to create more euros.

Greece tested the strength and resolve of European authorities, and discovered that they no longer have any say over their national destiny. When they threatened to leave the Eurozone, Eurocrats had only to turn off the money spigots, watch Greek banks run out of cash, and wait.

While it is too late for Greece and the other members of the Eurozone, events in Europe are a salutary lesson to Americans, whose political elites never run out of ideas for "free trade zones." The European Union began in such a way, and was gradually built into a multination monstrosity that has consumed most of the sovereign countries of Europe. The North American Free Trade Association (NAFTA), which includes the United States, Canada, and Mexico, is doubtless charting a similar course, and should be abolished. The now-defunct Free Trade Area of the Americas (FTAA), which would have encompassed the entire Western Hemisphere, was deep-sixed a decade ago because of irreconcilable political disagreements and strong opposition from the American grassroots, among other factors, but remains a long-range goal.

The purpose of such regional trade agreements retooled into regional governments is the replacement of the current system of around 200 sovereign countries with a handful of regional superstates, like the European Union, that can eventually be merged under a single global authority. World government has been the grand design of globalists for more than a century; the creation and continuance of the European Union, which now controls the destinies of more than half a billion people and the world's second largest economy, has brought that goal into view.

For this reason, European authorities are willing to go to almost any length to keep Greece within the Eurozone; the future of the entire world government project depends crucially upon keeping intact the world's largest and most integrated regional government bloc.

Americans must recognize the true purpose behind so-called "free trade agreements" like NAFTA and resist the blandishments of internationalists. Otherwise, we will someday find ourselves in Greece's situation, trapped within an international cobweb of debt and currency dependency from which extrication will be well-nigh impossible.

Photo: AP Images