

Greeced Lightning!

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Note from Pastor Kevin Lea: Greece did make their IMF payment that was due on April 9th, but there are many other payments (billions of dollars) which are due in the coming weeks. Many financial analysts conclude that Greece will ultimately be unable to pay their debts and it is only a matter of when, not if, they will have to throw in the towel and declare bankruptcy.

We seem to have finally arrived at some sort of moment of truth regarding Greece and their inclusion in the EU. The speculation is they will be out of money by April 9th, this Thursday, unable to make a less than 500 million euro payment. Please keep in mind they have already been raiding the country's pension plans to fund day to day services. How large of a "dent" they have already made remains to be seen but that is not the point. The point is this, any person, corporation or government who needs to dig into retirement savings for daily operations is like buying a carton of cigarettes with a credit card at 14.99% ...and then carrying the balance!

Before laying out their potential options, please keep in mind that Mr. Varoufakis was in New York this past weekend meeting with Christine Lagarde, Mr. Tsipras plans a trip to Moscow for Tuesday. Are they pleading for unpaid bailout funds from the IMF? And if they don't get them, do they cut a deal and fall into Russia's arms? This, just as so many nations have pledged their allegiance to the East and the AIIB bank (topic for tomorrow), Greece may be forced into a pivot toward the rising Sun. They do however have something left to offer, they stand between Turkey and Eastern Europe, they can provide a route for Russian gas to flow to Europe.

What options does Greece have left? As I see it, they really only have three, and all with blurry edges. First, they can cut some sort of deal with Germany (the EU) and the IMF. They can kick the can down the road by extending maturities of existing debt and restructuring it. The IMF still owes past monies pledged in bailouts, will they really throw new money away knowing it cannot be paid back? Obviously this does nothing to face the real problem, Greece simply has too much debt for the size of their economy (this is a global problem but not "admitted yet"). This option may have been taken off the table on Friday. As a side note, it was reported Friday by Der Spiegel the IMF evacuated their Athens office. Why would they do this? I can only come up with one or two scenarios. The IMF is giving up and know it is over ... or, they are getting out of town while they still can. Maybe they realize massive social unrest will be unleashed and don't want to see their employees hanging from lamp posts? [This was denied by Saturday but interesting nonetheless!](#)

Their second option is to just default. If they cannot make debt payments, they simply don't pay and thus become classified as a default. The next question is whether or not they would stay in the EU? Would they want to? Or even be allowed to? Option number three, an offshoot of number two, is Greece defaults and they decide to leave the EU (or are kicked out) and join team Russia.

My guess is we will see Greece default, leave the EU and cut a gas pipeline deal with Russia becoming a stepping stone for China's "silk road". At this point, it's the only thing that makes any sense ...if you are Greek and try to do what is best for Greece. A story also making the rounds on Friday was preparations to re issue the "[drachma](#)". If this is true, I would say the decision to leave the EU has already been made except for the formalities! The next question is the biggie, and one which will affect the entire world. How do the markets and financial systems react to this?

Before exploring this...

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