

A Greek conspiracy: How the ECB crushed Varoufakis' plans

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A central bank governor in Athens conspires with the President of the Republic to sabotage the negotiation strategy of his government to weaken it in its negotiations with the European Central Bank. After the government has capitulated, this governor, who is a close friend of the new finance minister and boss of the finance ministers wife, and the President of the Republic travel together to the ECB to collect their praise and rewards. This is not an invention, this is now documented.

On 19 January the German Central Bank in Frankfurt informed the media that the Greek President Prokopis Pavlopoulos visited the ECB and met with ECB-President Mario Draghi, and that he was accompanied by the President of the Greek central Bank, Yanis Stournaras.

Remember. When the Syriza-led government in Athens was in tense negotiations with the European institutions, the ECB exerted pressure by cutting Greek banks off the regular financing operations with the ECB. They could get euros only via Emergency Liquidity Assistance from the Greek central bank and the ECB placed a strict limit on these. Finance minister Yanis Varoufakis worked on emergency plans to keep the payment system going in case the ECB would cut off the euro supply completely.

It has already been reported and discussed that a close aide of Stournaras sabotaged the government during this time by sending a memo to a financial journalist, which was very critical with the governments negotiation tactics and blamed it for the troubles of the banks, which the ECB had intensified, if not provoked.

A few days ago, Stournaras himself [exposed](#) a conspiracy. He bragged that he had convened former prime ministers and talked to the President of the Republic to raise a wall blocking Varoufakis' emergency plan.

In retrospect it looks as if Alexis Tsipras might have signed his capitulation to Stournaras and the ECB already in April 2015, when he replaced Varoufakis as chief negotiator by Euklid Tsakalotos, who would later become finance minister after Varoufakis resigned. In this case the nightly negotiating marathon in July, after which Tsipras publicly signed his capitulation, might just have been a show to demonstrate that he fought bravely to the end.

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Why would I suspect that? Because I learned in a Handelsblatt-Interview with Tsakalotos published on 15 January 2016 that he is a close friend of Stournaras. Looking around a bit more, I learned that Tsakalotos wife is “Director Advisor” to the Bank of Greece.

This is the Wikipedia entry:

„Heather Denise Gibson ([Greek](#): ?????? ?????? ??????????; born in [Glasgow](#)) is a Scottish economist currently **serving as Director-Advisor to the [Bank of Greece](#)** (since 2011). She is the spouse of [Euclid Tsakalotos](#), current Greek [Minister of Finance](#).”

At the time she entered, Stournaras was serving as Director General of a think tank of the Bank of Greece.

The friendship of the trio goes back decades to their time together at a British university. They even wrote a book together in 1992. ([Heather D. Gibson, Yannis Stournaras, Euclid Tsakalotos: The Real and Financial Sectors in Southern Europe: Catch-up, Convergence and Financial Institutions, University of Kent, Canterbury 1992.](#))

Thus: The former chief negotiator of the Greek government is and was a close friend of the central bank governor and the central bank governor was the boss of his wife. The governor of the Bank of Greece, which is part of the Eurosystem of central banks, gets his orders from the ECB, i.e. the opposing side in the negotiations. He actively sabotaged the negotiation strategy of his government.

If this does not look like an inappropriate association for a chief negotiator, I don't know, what would.