“Poor” Greeks Drive Porsches; U.S. Provides Payments through IMF

Imagine this scenario: Your neighbor comes to you asking for money. He confesses to having gone on a lottery-winner spending spree year after year, to buying his kids everything without making them work for anything, and to knowingly and profligately living well above his means for so long he can’t remember.

As you listen to his petition, you remember that in addition to the many prodigal habits to which your neighbor is admitting, he has already made similar appeals to others in the area and has blown through that charitable cache, as well.

Still, contrary to all principles of sound economic policy to which you have promised to adhere, you loan your neighbor the money, imposing only minimal oversight and requiring but a pro forma promise of future abstemious behavior.

No sooner does he have your treasure in hand, but he runs back to his house, opens the garage, and out roar he and his wife, both driving brand new Porsches! You stand there, feeling flabbergasted and finagled, yet you walk back inside, with no real recrimination of your debtor’s malfeasance.

Sound too ridiculous to be true? Think no one could be as gullible as the benefactor or as inconsiderate as the neighbor? Consider this story recently published in the British newspaper *The Telegraph*:

> Jubilation about the German deal to save the euro could prove short-lived if fresh news of Greek tax evasion gains wider currency. There are more Porsche Cayennes registered in Greece than taxpayers declaring an income of 50,000 euros (£43,800) or more, according to research by Professor Herakles Polemarchakis, former head of the Greek prime minister’s economic department.

Germany, the benefactor, promises to save the Greeks (the spendthrift neighbor) from bankruptcy only to receive a report out of Athens of luxury cars being bought by an astounding number of citizens of the self-proclaimed pauper nation.

Not only are supposedly failing farmers keeping an eye on their crops through the windows of Porsche Cayennes, but according to the story first printed in October in the *Athens News*, “the modest city of Larisa, capital of the agricultural region of Thessaly with 250,000 inhabitants, has more Porsches per head of the population than New York or London.”

Even though the evidence of the extravagance is cars manufactured in Stuttgart, surely Germans cannot be well pleased that their more efficient economy is being drained to fund the folly of their wanton neighbors. One can hardly blame Germany for reconsidering the bailout of the “cradle of democracy” when that same mob rule mentality has allowed Greeks to continue “riding high on the hog" while causing severe economic distress worldwide.

Lest anyone in this country look down their noses at our continental cousins or dismiss their financial foolishness as a strictly European problem, remember this all too important fact of fiscal globalism, as told by Business Insider:

> Of the 110-billion Euro Greece bailout, 30 billion (approx $40 billion) will be paid for by the International Monetary Fund (IMF).
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> The US supplies almost 20% of the IMF's funding (per quotas). So that means US taxpayers are providing ~$8 billion of the $145 billion going to kick the Greek can down the road.

Not surprising given its role in funding the abolition of sovereignty around the world (and in the United States particularly), the IMF is not dissuaded by Greece's lack of legitimate progress toward setting its own house in order. IMF Managing Director Christine Lagarde Monday called on all parties involved in the Greek debt talks to help find a sustainable and constructive solution. Witness this statement by Lagarde:

> It's a matter of everybody participating, the country delivering on its commitment, private sector participating in the process, that means something that is substantial, that is constructive, [and it] also means the euro partners and the European Central Bank playing their respective part as well.

Given our President's predilection for exporting our treasure overseas and importing European macroeconomic practices into our own policy, there is little doubt that the United States of America will be one of the premiere "partners" called on to continue filling the trough where the PIIGS (Portugal, Ireland, Italy, Greece, and Spain) go to gorge themselves.

The *Wall Street Journal* elegantly describes the situation:

> Greece is on a very tight schedule to complete the deal with the private sector and receive the first chunk of its new bailout. It has a EUR14.4 billion bond maturing on March 20 that it can't afford to pay. Missing payment on that would put the country in default.
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> The Greek crisis has spread to other countries in the euro zone's periphery. In Portugal, investors, economists and politicians are increasingly convinced Lisbon will need a second bailout amid fears it won't be able to return to markets for financing next year.
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> While the country' finances are taken care of for this year as long as it abides by its bailout agreement, Portugal must regain full access to markets next year to help repay EUR9 billion in debt falling due in September 2013.
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> Euro-area finance ministers are expected to be joined by counterparts from non-euro EU countries Monday evening to continue talks on the treaty to create the European Stability Mechanism, the European Union's permanent, EUR500 billion bailout fund.

Beyond the tightening of the grip of global banks on the throat of the central banks of nations around the world and the inextricable meshing of America's economic future with that of its socialist treaty and trade partners, what is the point of the creation of the European Stability Mechanism? Perhaps a recent statement by German Chancellor Angela Merkel provides a clue. In September 2011 she told Germany's legislature that the European Constitution currently in operation "offers no effective foundation" for the eurozone in the long term. "The common currency can only be preserved if there is further integration and more reliability." "We won't get around making further treaty changes," she added.

Then, in December, Merkel and her colleague in Paris, Nicolas Sarkozy, co-authored a letter to the European Union using the monetary crises in Athens, Lisbon, Madrid, and Rome as a lever to force the formerly sovereign nations of the EU closer together. The so-called Sarkozy Letter suggests:

> The current crisis has uncovered the deficiencies in the construction of the [European Monetary Union] mercilessly. We need to remedy those deficiencies…. We need more binding and more ambitious rules and commitments for the Euro area Member States. They should reflect that sharing a single currency means sharing responsibility for the Euro area as a whole. The building blocks of the new Stability and Growth Union are: A strengthened institutional architecture. Euro area governance needs to be substantially reinforced.

If we are to save the sovereignty of our Republic, perhaps it is time to get out of all the neighborhood associations, to repair the fences that once kept predators out of our yard, and to reaffirm our natural right to govern ourselves and the right of all of our neighbors to do likewise.

Otherwise, we may all one day be driving our Porsches down to the global welfare office.