Varoufakis resigns as Greek finance minister 'to aid deal'

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"Soon after the announcement of the referendum results, I was made aware of a certain preference by some Eurogroup participants, and assorted 'partners', for my… 'absence' from its meetings; an idea that the prime minister judged to be potentially helpful to him in reaching an agreement. For this reason I am leaving the Ministry of Finance today," he said Monday in an online statement.

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He added that he would *"wear the creditors' loathing with pride"* and pledged his continued support to Tsipras and whoever he chooses as his new finance minister.

One of the reasons for Varoufakis's resignation was reportedly an acute conflict with Jeroen Dijsselbloem, president of the Eurogroup, which includes all the finance ministers of countries in the Eurozone.

A diplomatic source in Brussels told TASS that Varoufakis had "*tense relations with individual members of the Eurogroup in the past several weeks, primarily with the body's president.*" According to the source, Varoufakis's opponents consider that he intentionally protracted the debt talks in order to hold a referendum. *"In these conditions there is lack of trust in the main Greek negotiator,"* the source said.

Varoufakis's successor as finance minister will likely be the chief negotiator in talks with international creditors, Euclid Tsakalotos, a senior government official told Reuters. The appointment of the new finance minister is expected after the meeting of political leaders on Monday.

On Sunday more than 61 percent of Greek voters said no to a bailout plan proposed by foreign creditors, supporting their government's opposition to the plan. The result was praised by the Greek government but lamented elsewhere in the EU, even as foreign officials said they respected the choice of the Greek people.

German Economy Minister Sigmar Gabriel said that the vote had *"torn down the last bridges on which Greece and Europe could have moved towards a compromise."* Germany risks losing some 14 billion euros in revenue from Greek sovereign bonds held by Germany's central bank.

Italy's foreign minister, Paolo Gentiloni, urged the EU to keep looking for middle ground with Greece, despite the referendum.