

International Viewpoint, Syriza and the fraud of Greece's "Truth Committee" on debt

Robert Stevens
4 August 2015

The release of the preliminary report into the origins of Greece's sovereign debt was treated as a non-event by the Syriza government that had commissioned it.

Central to Syriza's anti-austerity rhetoric, in the years since the beginning of Greece's economic crisis to Syriza's coming to power in January, were calls for an audit of the nation's debt mountain. Syriza declared that a government it formed would not pay off any debt deemed to be "odious." On this basis, it agitated for the establishment of a commission into the debt of more than €315 billion. A campaign was organised led by a host of pseudo-left groups.

The Truth Committee on the Greek Public Debt was formally established on March 17, almost two months after Syriza's election victory. Its formation was announced by Zoe Konstantopoulou, the speaker of the Greek parliament, who chairs the committee and is a lawyer. Syriza leader and Prime Minister Alexis Tsipras attended the launch.

The body, comprising members from Greece and ten other countries, was headed by Syriza European Parliament member Sofia Sakorafa and Professor Eric Toussaint. Toussaint, a senior lecturer at the University of Liège, is the spokesman for the CADTM (Committee for the Abolition of Third World Debt). He was a collaborator from 1970 of the late Ernest Mandel, the theoretical leader of the international Pabloite tendency, which broke from Trotskyism in 1953. Toussaint has been a member of the Pabloite United Secretariat since 1980. He writes regularly for *International Viewpoint*.

In April, Konstantopoulou released two video spots that declared, "Check it, Erase it," referring to Greece's accumulated debt. The first shows Konstantopoulou announcing to parliament that the committee will "find out the truth regarding the

accumulation and increase of public debt." The second shows footage of mass protests against austerity and a Syriza representative declaring in parliament, "We respond to our people by uncovering the truth."

The truth is that even as the committee began its research, it was already a dead duck as far as the Syriza leadership were concerned.

On February 20, Tsipras and his then-finance minister, Yanis Varoufakis, had already agreed to prolong the austerity programme of the previous government. They agreed to continue paying back the huge debts owed by Greece to the European Union, European Central Bank and International Monetary Fund, known as the "troika"—the same debts that were being investigated by the committee. Just two days before the committee's video spots were released, Varoufakis emphasised once again that the Syriza government would pay back the entire debt.

Over the ensuing weeks, Syriza held talks with the troika culminating in the July 13 betrayal in which it accepted every single austerity measure demanded by the creditors.

Well before the election, Syriza had largely ditched its rhetoric over not paying back odious debts. Indeed, almost a year before the party was elected, leading Syriza MP and economist Giorgos Stathakis stated that that only around 5 percent of Greece's debt could be considered odious. He told a Greek radio station, "Over 90 percent of the debt is traditional, public debt of the markets, in other words, bonds. There is no legal process to challenge this."

But as the initial findings of the Truth Committee established, it was the swindling, scams and lies of the financial institutions, as well as the compliance of previous governments, that resulted in Greece's bankruptcy.

The report's executive summary declares that none of the debt should be paid back. It states, "Greece not only does not have the ability to pay this debt, but also should not pay this debt, first and foremost because the debt emerging from the Troika's arrangements is a direct infringement on the fundamental human rights of the residents of Greece. Hence, we came to the conclusion that Greece should not pay this debt because it is illegal, illegitimate, and odious."

It adds that "an attack premeditated and organized by the International Monetary Fund, the European Central Bank, and the European Commission" was "aimed exclusively at shifting private debt onto the public sector."

Syriza represents the interests of a section of the Greek ruling elite and more affluent layers of the middle class. Its initial support for a debt audit was never more than a diversion aimed at preventing any mobilisation of the working class against the EU, the international banks and the Greek ruling class.

Covering for Syriza, the call for an audit was presented by myriad pseudo-left outfits as the way out of the crisis. As early as November 2011, *International Viewpoint* carried a statement by the Greek Auditing Commission of the Public Debt calling for "the cessation of payments to our creditors and a democratic, worker-led debt audit."

Sowing illusions in the prospect of the troika and the global financial elite being swayed by appeals to reason and self-interest, the statement claimed, "This audit will show which part of the debt is illegal, illegitimate and unconstitutional, and thus it will prompt its cancellation. Debt cancellation is based on the sovereignty of the Greek people, *who will force creditors to accept its terms* [Emphasis added]."

By June 17, when the committee released its preliminary report, Tsipras was in the process of finalising his party's betrayal of the Greek working class. Still, the pseudo-left groups continued the charade of hailing the report, with *International Viewpoint* publishing the entire 2,255-word summary.

Following Tsipras's capitulation to the troika, Toussaint wrote a July 16 article pathetically suggesting that "Syriza has binding responsibilities towards the Greek people and it is tragic that they were not respected ..."

Referring to the findings of the Debt Committee as if

nothing had happened, he continued, "If Greece suspends debt payment to its international creditors, it will save nearly €12 billion by the end of 2015 and the creditors would be compelled to make concessions. A radical reduction in the amount of debt could lead the way either to negotiation or to repudiation."

"It is now clear that negotiations cannot convince the European Commission, the IMF, the ECB and the neo-liberal governments in other European countries to take measures that respect the rights of Greek citizens as well those of the people in general," he continued. "However, if the Greek authorities adopt strong measures, they can gain genuine concessions or simply force the institutions to recognize the decisions taken."

No lie is too big for the Pabloites. Toussaint claimed that Syriza could still be a shining beacon to workers everywhere.

It is "also vital, he stated, "to find an alternative strategy by initiating massive popular mobilizations in Greece and other European countries. *The Greek authorities could draw on that to thwart the attempts to isolate them*—attempts that the forces opposed to change in favor of social justice will waste no time in making. *In turn, such a stand from the Greek government would empower popular mobilizations and encourage the mobilized people to have confidence in their own strength* [Emphasis added]."



To contact the WSWWS and the
Socialist Equality Party visit:

wsws.org/contact