

Preface of 'System debt' by Éric Toussaint

Sunday 29 July 2018, by [SAURIN Patrick](#), [TOUSSAINT Éric](#) (Date first published: 16 July 2018).

Translation of the preface to the French-language book "Système dette," by Eric Toussaint

Éric Toussaint has an acute and thorough knowledge of public debt issues, thanks not only to his theoretical research work but also to his involvement in the field (notably in Ecuador and Greece). As he takes us through 19th century to 21st century world history we notice that this painstakingly documented examination gives a version of historical events that is at odds with the mainstream discourse developed by those in power, those same people whose crimes are exposed in these pages.

As he patiently follows the thread of public debts, the author sheds new light on the eventful history of nations, on their complex relationships and above all on their underlying logic.

North-South relationships illustrate a process that is consubstantial to the capitalist system and its determination to develop, extend and dominate. Public debts are an essential cog in the structure of capitalism. The debt system as a tool to subdue and dominate is as it were capitalism's economic architecture. Examples are many: Tunisia, Egypt, Portugal, Cuba, Costa Rica, Mexico, Russia or Greece (today and in the past) illustrate and support the author's analysis. Through a thoroughly documented approach, based on a source criticism that is a model of its kind, he unfolds a detailed and impressive analysis of the odious debt doctrine, the basis of which was laid out by Alexander Nahum Sack. This gives Éric Toussaint the opportunity to recall the CADTM's essential role in better defining the notion of odious debt.

As we move from one chapter to the next, we discover little known aspects of history that are always truthful however bewildering. We meet those who were its actors. Éric Toussaint allows us to eavesdrop on the conversation that took place when Emiliano Zapata and Pancho Villa met in Mexico City on 4 December 1914. He takes us into the hotel room of Walter Rathenau, then German minister of Foreign Affairs, on 16 April 1922, when the members of the German delegation to the Genoa negotiations were woken up at one p.m. by the members of the Russian delegation to negotiate, in pajamas, a separate agreement. The agreement that was signed on the same day is known as the Treaty of Rapallo. Archive documents, official reports on meetings between delegations, press articles are part of the first-hand material used by the author to reopen files in order not only to question the misleading narratives of the doxa but also to propose a new and carefully documented version of what really happened.

Beyond their narrative dimension, all these elements draw a strikingly faithful picture of the vocation and features of what has to be called the debt system.

While public debts are a fertile prism to bring out the actual relationships between States, between capitalist finance and populations, between social classes, the author rightly points out at the end of his study:

Repudiation of illegitimate debts is not enough. To be of real use to society, repudiation must be part of a coherent set of political, economic, cultural, and social measures that can enable the country to evolve towards a society free of the different forms of oppression and exploitation.

The struggle to do away with odious, illegitimate, illegal and unsustainable debts must be part and parcel of our necessary fight against the various forms of domination that are the very essence of capitalism. Éric Toussaint's work is an essential contribution to this everyday struggle.

Translated by Christine Pagnouille et Mike Krolkowski.

Eric Toussaint

[Click here](#) to subscribe to our weekly newsletters in English and or French. You will receive one email every Monday containing links to all articles published in the last 7 days.

P.S.

CADTM

<http://www.cadtm.org/Preface-of-System-debt-by-Eric-Toussaint>