

Tsipras and Varoufakis advance towards final capitulation

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Adults in the Room, Costa-Gavras's new film based on the book of the same title by former Finance Minister Yanis Varoufakis, will be released from 6 November in France and Belgium (see trailer: <https://www.youtube.com/watch?v=U3aAyJKOS00>). We publish further episodes in the Éric Toussaint's series that relates and analyzes events that led to the capitulation of Tsipras's government in 2015.

The present series should serve as a guidebook for readers who are not content with the dominant narrative as presented in mainstream media and by the Troika governments, readers who are not content either with the version provided by the former Finance Minister in the first Syriza cabinet.

Counterpointing Varoufakis's narrative, also to be found in Costa-Gavras's film, Éric Toussaint sheds light on events that the former Finance Minister ignores. Toussaint voices a divergent opinion on what should have been done, on the evaluation of what Varoufakis actually did and on the strategy developed by the government led by Alexis Tsipras.

From the end of April 2015, under pressure from European leaders, Tsipras left Varoufakis out of the negotiations in Brussels, though not withdrawing his Minister of Finance portfolio. Tsipras replaced him with Euclid Tsakalotos [1] while giving increasing responsibility to George Chouliarakis [2] who had been clearly working in the interests of the creditors since February 2015. Dijsselbloem and Juncker had insisted that Tsipras should place Chouliarakis at the centre of negotiations as he was the Greek representative they trusted most. [3]

Tsipras agreed to make further concessions to the Troika, involving multiple contacts and discussions. Varoufakis claims that Tsipras wrote to the Troika at the end of April 2015 signalling his agreement to achieve a primary budgetary surplus of 3.5 % a year for the period 2018-2028. This fresh climb-down would have made ending austerity impossible as it meant further cuts in social spending and the acceleration of privatization. Yet the Troika was still not satisfied, demanding even more concessions, and no agreement was reached.

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Meanwhile, the Truth Committee on Greek Public Debt, set up by the president of the Hellenic Parliament, was working hard to produce its Report and recommendations before the end of the second Memorandum, which had been extended until 30 June 2015. The plan was to present the Report in an open session of Parliament on 17 and 18 June 2015 as a contribution to discussions on the Memorandum and negotiations. The Committee's mandate was to identify the proportion of debt that could be defined as illegitimate, illegal, odious or unsustainable.

The Truth Committee was composed of 30 members, 15 from Greece and 15 from abroad, including several professors of law from universities in Great Britain, Belgium, Spain and Zambia, a former United Nations independent expert on the effects of foreign debt and respect of human rights, experts on international finance, auditors of public accounts, people who had previous experience of public debt audits, a former president of a central bank and former minister of the economy, bank specialists having acquired profound knowledge of the banking sector in the course of their careers. Of the 15 people from Greece, several had experience of the world of banking, in the domains of international finance, law, journalism and health.

The members of the Truth Committee, of which I was the scientific coordinator, agreed on definitions for terms corresponding to illegitimate, odious, illegal and unsustainable debt, and on a work method. They were divided into six working groups, of which three analyzed debts claimed by the various creditors: one group audited debts claimed by the IMF, the second those claimed by the ECB and the third those by the 14 countries of the Eurozone that had granted bilateral loans in 2010. The latter also audited debts due to two organizations founded by the European Commission to make loans to Greece, the European Financial Stability Fund (EFSF) and the European Stability Mechanism (ESM) that followed it. There were three other working groups. One was to produce an analysis of the process of incurring public indebtedness before 2010. The second was to make a rigorous evaluation of the measures dictated by the Troika (and accepted by successive governments since 2010) and of their impact on the exercise of fundamental human rights. The sixth and final working group was composed of several legal experts who drew up conclusions in legal terms and made recommendations for the Greek government.

The various creditors (IMF, ECB and 14 Eurozone countries) that were represented by the Troika held more than 85 % of Greek debt in 2015.

A significant part of the Committee's work was carried out in public. The sessions took place in parliament and were broadcast live on the parliamentary channel. Over the weeks the audience grew and grew, as the public began to turn away from the private television channels that were hostile to the Tsipras government. The public channel ERT, closed since June 2013 at the request of the Troika, only resumed broadcasting on 11 June 2015, a week before the audit Committee presented its conclusions.

The Truth Committee then proceeded to interview witnesses and those hearings were also broadcast live on the parliamentary channel. Philippe Legrain, a former direct advisor to the president of the European Commission during the First Memorandum, came from London to testify, [4] as did Panagiotis Roumeliotis, Greece's former representative at the IMF at the beginning of the First Memorandum. [5] These interviews enabled a wide public to grasp the real reasons for the intervention of the European Commission, the ECB and the IMF.

Despite our repeated requests, Yanis Varoufakis did not help the Truth Committee to carry out its mission. It is patently obvious that he was not the slightest bit interested in the Committee, as he does not mention it once in the book in which he recounts the events of 2015. He failed to understand that the Truth Committee and the conclusions it produced could be a huge aid to Greece in freeing itself from its creditors, with powerful arguments that would convince public opinion in Greece and across the world. Of course, for the Committee's proposals to be translated into action would have required government members to publicize the challenges the Committee had faced and the work it had done. Who was better placed in the government to bring the debt audit into the limelight than the minister of finance himself?

Varoufakis's and Tsipras's refusal to mention the Truth Committee's work on the international stage was directly related to the disastrous strategy they had decided upon. They found it hard to swallow

the fact that Zoe Konstantopoulou [6] the president of the Hellenic Parliament had given the Committee an official mandate.

“Varoufakis’s and Tsipras’s refusal to mention the Truth Committee’s work on the international stage was directly related to the disastrous strategy they had decided upon . . . They were deeply disturbed by the mandate the president of the Hellenic Parliament had granted the Committee”

As for Tsipras, his support for the Truth Committee was purely formal and he was careful never to mention it in his public declarations abroad.

On the left wing of Syriza too, some people failed to grasp the importance of the Truth Committee. The party’s main leader, Panagiotis Lafazanis, [7] did not appear once at the Committee’s public sessions while other ministers, also members of the Left Platform, gave their active support. Such was the case of Dimitris Stratoulis, [8] in charge of pensions, Costas Isychos, [9] the deputy defence minister, and Nadia Valavani, [10] deputy finance minister.

Varoufakis’s and Tsipras’s strategy was to seek a solution in the form of a reduction of debt payments without questioning the nature of that debt or recognizing it as illegitimate and odious. Their strategy also involved practising secret diplomacy and giving the impression that the Troika had disappeared.

Recourse to the active participation of citizens in the debt audit had no place in their plan. As far as they were concerned, everything depended on negotiations at the top. They had no intention of campaigning through international communications to discredit the Troika. Varoufakis did communicate with the media, but solely on the basis of proposals implying that it was possible to reach a consensus with the European leaders. He himself declares in his book that he regularly asked them for advice, notably meeting with Wolfgang Schäuble, [11] the German finance minister, or Angela Merkel, [12] the chancellor.

The famous Plan X that Varoufakis constantly referred to after leaving the government when the chips were down, was never revealed to the government as a whole nor to Syriza’s parliamentary group or its central committee. He mentioned it only to Tsipras’s inner circle and to a few of his secret collaborators. Whether or not it would be implemented was entirely up to Tsipras. And Tsipras showed on several occasions that he was not ready to take that step. On the few occasions when, according to Varoufakis, Tsipras and other members of the inner circle were tempted to take strong measures, for example against Yannis Stournaras [13] the governor of the national bank or on 21-22 February by refusing to agree to certain terms of the 20 February agreement, Varoufakis claims that he dissuaded them.

The key decision that signalled the point of no return was the decree-law of 20 April that ordered all public bodies (municipalities, universities, hospitals, parliament, public libraries, etc. with the exception of the social security and pension funds) to transfer their reserves of liquidities to the Bank of Greece in time to pay the June instalment of debt payment which, like all the payments of the first months of the Syriza government, was destined solely for the IMF. This showed that the government was bound hand and foot by the 20 February agreement and refusing any possible plan X or any break away from the creditors. Now Varoufakis never breathed a word against that fatal decision, which rendered futile any further discussion of alternative plans. He does not even mention it in his book.

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After that decision, the Left Platform’s position became untenable. How, for example, should the mayors and the president of the Ionian Islands region, who were members or close to the Platform, react to the injunction? Most of them complied. At a national meeting of the Lafazanis tendency, held on 24 April, it was unanimously decided to put Lapavitsas [\[14\]](#) and his collaborators in charge of coming up with an alternative plan, which the Left Platform would have made public. But Lafazanis was dragging his feet.

Why the delay? It is likely that Lafazanis and the other leaders realized that if such a plan was made public, the Left Platform’s ministers would risk losing their seats, a risk they were reluctant to take. This was the Left Platform’s fatal error, heralding the lack of punch they displayed during the decisive weeks of July-August 2015.

Let us review the pivotal moments of May and June.

On 12 May 2015, Greece was due to pay the IMF its seventh instalment of debt repayment since February. The public coffers had been practically emptied to pay the previous instalments and the Troika continued to refuse to pay Greece what was owed, especially the € 1.9 billion of profits made by the ECB on Greek bonds.

Now the IMF was keen to prevent Greece from suspending repayments, which indicates that they feared it might take that step. So the IMF and their accomplices in Greece, in particular the governor of the Bank of Greece and Chouliarakis, came up with a bright idea. The IMF pretended to have uncovered a forgotten account that Greece was supposed to have opened with the IMF and where there was still some money. The IMF paid almost € 650 million into the said account, in the form of a new loan, which subsequently enabled Greece to repay the amount due, which was € 765 million according to Varoufakis [\[15\]](#) (€ 747.7 million if the *Wall Street Journal* is to be believed), making up the balance by adding whatever available funds could be scraped up from the bottom of the public treasury.

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I was personally told of this subterfuge by a well-informed source in Washington and was able to warn the president of the Hellenic Parliament who had been kept in the dark.

At around the same time, the president of Parliament told me she had refused to agree to a request from Tsipras to make over all available liquidities in the Hellenic Parliament. He tried to persuade her by telling her that it was to be used to pay pensions. Before turning Tsipras down, she had telephoned Dimitris Stratoulis, the minister in charge of pensions, who told her that he had not put in such a request to Tsipras as he had taken precautions to have enough money left in the pension system to pay the pensions. He was digging his heels in to prevent the money so badly needed for pensions from leaving the country to enter the coffers of the IMF. Hearing this, Zoe Konstantopoulou refused to transfer the amount that Tsipras had asked for.

Nevertheless, she remained on good terms with him and each time I worried about the orientation the prime minister was taking, she tried to reassure me by saying that he would eventually stop making concessions and would adopt the radical decisions necessary to get out of the impasse. I was not convinced, but we kept up the good work within the audit committee.

I also tried to show my support of the left-wing ministers, like Dimitris Stratoulis, who were trying to encourage the government to suspend debt payments. The situation of millions of Greek pensioners

was untenable and the Troika continually demanded more spending cuts in the pensions sector. That was why, on 15 May 2015, I went to Stratoulis's ministry to discuss what could be done and to update him on the committee's work. Stratoulis was very pleased with my visit and decided to give a public account of it. He sent the press a report of our meeting and for my part, I wrote the following press release:

- 'After a visit on Friday 15th May 2015 to the Greek Ministry of pensions and a meeting with the Minister Dimitris Stratoulis, here is my statement.
- It is clear that there is a direct relation between the conditions imposed by the Troika and the increase in public debt. The Truth Committee on Greek Public Debt will produce a preliminary report in which the debt will be assessed according to whether it is legitimate or legal, because there is significant evidence that the Greek constitution as well as international treaties guaranteeing human rights have been violated.
- The committee considers that the policies imposed by creditors are directly related to the impoverishment of the population, the decline in their living conditions and the 25% decrease in GDP since 2010. For example, public pension funds have suffered a tremendous reduction due to the Private Sector Involvement (PSI) organized by the Troika in 2012. The public funds lost €16 or 17 billion of their original value of €31 billion. The decline in revenue to the social security funds is directly due to the increase in unemployment and the reduction of wages as a consequence of the measures imposed by the Troika.
- The Greek debt is not sustainable, not only from a financial perspective, since it is clear that Greece is in essence unable to repay it, but also from a human rights perspective. Several lawyers specializing in international law consider that Greece can declare itself to be in a state of necessity. According to international law, when a country is in a state of necessity it is entitled to suspend debt repayments unilaterally (without accumulating interest arrears) in order to guarantee to its citizens basic human rights, such as education, health, food, and pensions.
- The aim of the preliminary report of the Truth Committee on Greek Public Debt is to strengthen the position of Greece, giving it further arguments for its negotiations with the creditors. The Truth Committee would like to arrange a public encounter with journalists in order to allow the Minister to make public the direct connection between the policies imposed by the Troika and the degradation of the living conditions of large parts of the population and specifically of pensioners, who have seen their pensions reduced by 40% on average during the Troika years
- As we learned from the Minister, 66% of pensioners receive a pension income of less than €700, and 45% of pensioners receive a pension income below the poverty line of €660 a month. I strongly condemn the creditors' demands to impose further reductions of subsidiary pensions, when it is clear that previous and current policies imposed by the creditors violate pensioners' right to a decent revenue. Pensions should be restored.'
- Eric Toussaint, scientific coordinator of the Truth Committee on Greek Public Debt, Athens 15 May 2015.' [\[16\]](#)

End of the press release

On the eve of my meeting with Dimitris Stratoulis, I had heard Varoufakis speak on the topic of the future of Greek banks at a big conference organized by *The Financial Times*. Varoufakis had declared that negotiations with 'the institutions' (let us recall that at the time, official discourse was claiming that the Troika had been abolished) was progressing well. He claimed that a double agreement was required, one which would see the Second Memorandum through to its planned end on 30 June, and another which would be based on a new arrangement.

That declaration echoed something I had learned from one of his direct collaborators: Varoufakis,

like Tsipras, was hoping for a new agreement to replace the current one; whether he liked it or not, that meant a Third Memorandum.

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At the *Financial Times* conference in front of an audience of members of the Establishment and representatives of foreign companies, Varoufakis declared: “It is impossible to leave the Eurozone without triggering a catastrophe for the country leaving.” Among the other speakers was Kyriakos Mitsotakis [17] who was to become prime minister four years later, in July 2019. Representing the Piraeus Bank, one of the country’s four major banks, he announced that there was no need to worry too much if € 27 billion had been withdrawn from the Greek banks since the end of December 2014. The atmosphere at this conference was unreal, and the carefully selected participants seemed to be light years away from the Greek population. I was able to attend the event thanks to a minister who passed on to me the personal invitation he had received. I met Dragasakis [18] there, who was not at all pleased to have to speak to me. He was even more embarrassed when one of his young collaborators enthusiastically told me that he had read with great interest the Greek edition of *65 questions/65 answers on Debt, the World Bank and the IMF* [19] that I had written with Damien Millet. Dragasakis was clearly not at all happy with his collaborator’s untimely declaration.

Within the government there was a malaise and the frustration was palpable. However none of that filtered out to the public. I distinctly remember my second meeting with the minister Rania Antonopoulos [20] who was in charge of creating 300,000 jobs, one of the promises of the Syriza programme. At our first meeting, in February 2015, she had declared that she was in favour of giving her support, as far as possible, to the launch of the debt audit as I proposed. At our second encounter in May 2019, she expressed her frustration as a minister. She confided that she felt it had been a mistake to accept to be part of the government: her department was short of funds and she did not feel free to say what she thought. She told me that she felt she should have given priority to her role as an MP. She explained that there were no meetings of the full government and no collective discussion. She considered that Tsipras was letting his policies be dictated by opinion polls.

Within Syriza too, a deep malaise was developing. But it was difficult for party activists, even those at the top level apart from the narrow inner circle around Tsipras, to really perceive what was happening. Tsipras, who was both leader of the party and prime minister, communicated very little with his comrades. He did not tell them of the concessions he was making to the Troika and let it be understood that he was about to take a radical shift in position since the European leaders were not responding positively to the government’s demands. He made maximum use of attacks from enemies of Syriza to ask party members to stand united and trust the government.

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Yet on 24 May 2015, at a meeting of Syriza’s central committee, an amendment proposed by the Left Platform criticizing government strategy and the way negotiations were going, and calling for unilateral measures to effectively implement the Thessaloniki programme, had won 44 per cent of votes. [21]

Within the Left Platform, from April 2015, Costas Lapavitsas, who had been elected as a Syriza MP in January 2015, had initiated a proposal for an alternative orientation to the one Tsipras had adopted. The detailed proposal suggested taking action in favour of cancellation of the greater part

of public debt, supporting the audit with citizen participation, refusing the obligation to achieve a primary budgetary surplus, insisting on the need to nationalize the banks and cancel a large part of the debt owed by households, and proposing to restore the minimum wage and pensions as they stood before the 2010 Memorandum.

Costas Lapavitsas's proposal was based on a preparatory study carried out with the German economist Heiner Flassbeck, who had served as a minister in a Social-Democrat government in Germany in the nineteen-nineties. The study also envisaged leaving the Eurozone with two options, either a negotiated exit or a confrontational one. [22] Unfortunately, this extremely interesting programme was not disclosed by the Left Platform which constantly sought a compromise with Tsipras. Stathis Kouvelakis, [23] who was a member of Syriza's central committee until summer 2015 and a member of the Left Platform, blames the Platform's leadership for the non-publication of the alternative orientation. Kouvelakis thinks that the Left Platform leaders, several of whom had ministerial functions, were wrong to give in to the restrictions of participation in the government. [24] I share this analysis.

On Sunday 31 May, when I was fully engaged with the coordination of writing up the report of the debt audit to be presented to Parliament on 17 June, I received a telephone call from Daniel Munevar, [25] one of Varoufakis's collaborators since March. He invited me to have lunch with James K. Galbraith. [26] I hesitated, as there was still a considerable amount to write and every hour counted. Then I saw how useful a discussion with Galbraith could be for the committee's work. For a few hours, I left the 18 m2 bedsit that had been graciously loaned to me by someone convinced that the Truth Committee's audit would serve the interests of the Greek people. Galbraith was one of Varoufakis's closest advisors while he was finance minister. I had known him for about ten years since we had both taken part in several Latin American conferences on financial globalization. In March 2015, when Daniel Munevar had agreed to collaborate with the Truth Committee on the audit, Galbraith had managed to persuade him to join the international team who would be working directly with Varoufakis, and consequently Munevar had not been able to join our ranks. We had been meeting up regularly in Athens since March to take stock of the situation and I had tried, and failed, to get Varoufakis to let Munevar help the Truth Committee despite his work as advisor in the finance ministry.

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On Sunday 31 May, Galbraith, Munevar and I had lunch on the terrace of a popular restaurant in the centre of Athens, a few hundred metres from Syntagma Square. Galbraith had recently travelled to Berlin and was very worried to see that the German leaders were standing their ground relentlessly. He was despondent. Even though he did not say so outright, he was clearly wondering about the efficiency of the orientation that the government had been following so far. I told him that I thought the government was wrong to refuse to suspend debt payments. He defended Varoufakis and Tsipras, at the same time admitting that a suspension might well have got a positive outcome whereas the moderate stance adopted by the government had produced nothing. On the other hand, when I told him I was in total disagreement with the decision not to control movement of capital, he replied that the government was right and that there was no reason to worry on that score. Perhaps because he was not entirely convinced by the policy adopted by his friend Varoufakis in this area, he did not try to put forward a convincing argument. There was one point on which we were in agreement, however: the need to get a complementary currency into circulation as soon as possible. He said he was trying to persuade Tsipras and his entourage of this but had had no success as yet. Once again, I was conscious of the gulf that separated me from the orientations of both Tsipras and

Varoufakis on these central issues. I explained how important the Truth Committee's work was and invited Galbraith to attend the hearings of Philippe Legrain and Panagiotis Roumeliotis, scheduled for the 11 and 15 June respectively. Galbraith did attend at least one of these hearings.

On 2 and 3 June 2015, I was invited to present the work of the Truth Committee at a meeting in Athens organized by the Confederal Group of the European United Left/Nordic Green Left (GUE/NGL) at the European parliament. I realized that the immense majority of MEPs had no idea at all of what was really going on in Greece nor of the dangers represented by the conciliatory stance adopted by the Tsipras government. An MEP who was a member of the right wing of Syriza, and one of the organizers of this meeting where there were about forty MEPs, had vetoed the suggestion that the president of the Hellenic Parliament should be invited to speak at the meeting. Clearly, in his eyes, she was too radical. She nevertheless came and she did take the floor.

On 3 June, I stepped out of this meeting of MEPs for a chat with Panagiotis Roumeliotis, who had represented Greece at the IMF at the beginning of the First Memorandum. At that time, the IMF was headed by Dominique Strauss-Kahn, with whom Roumeliotis had studied in Paris. Roumeliotis had long experience of international institutions and was part of the Establishment. He had been Minister of Commerce in 1987 then Minister of National Economy from 1988-1989. In 2015, he was vice-president of the Piraeus Bank. Roumeliotis had accompanied Varoufakis when he went to Washington on 5 April 2015 to meet Christine Lagarde. I had made an appointment to see him on 3 June to prepare his hearing scheduled for 15 June. Our conversation was very instructive as he admitted that the First Memorandum had been designed to bail out mainly French and German private banks, as well as Greek private banks. Even more importantly, in the sense that it contradicted the dominant narrative, he acknowledged that the situation of Greek banks in 2009-2010 had been far more worrying than that of public finances. He also acknowledged that the crisis was rooted first of all in private debt and that the public debt crisis stemmed from that. He did not go so far in his public declarations before the Truth Committee at the Hellenic Parliament at the six-hour hearing on 15 June, but what he did say was nevertheless of great interest. At the start of his interview, he mentioned that he had just received a letter from Christine Lagarde reminding him of the obligation of confidentiality incumbent upon him as a former member of the IMF management team. This shows how worried the leaders of the Troika were concerning the outcome of the Truth Committee's work.

The reason why Varoufakis and other writers omit to mention the Truth Committee and its work was not because it was insignificant, but because its very existence disturbed their plans and endangered, as they saw it, the outcome of the negotiations with the creditors. I am convinced that Draghi, [27] Lagarde [28] and Juncker [29] kept themselves well informed about the Committee's work in progress and put pressure on Varoufakis and Tsipras not to talk about it in public and not to give any credence to our work.

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The abuse which the mainstream Greek media heaped on the work of the Truth Committee was a sure sign of the danger it represented for the powers that be. The president of the Hellenic Parliament was the main target of the attacks as she it was who had set up the Committee. I was Target no. 2. Several articles published by major right-wing media in Greece aimed to discredit me, making personal attacks on my style of dress and pointing out reprovingly that I had taken part in debt audits in the so-called developing countries. We were presented as a danger to Greece. Within the parliament, the president of the parliamentary group of the neoliberal party To Potami (The

River) was also up in arms over my role as scientific coordinator of the Committee's work. He made an official protest against my presence in parliament during a meeting of the heads of the parliamentary groups.

In May-June 2015 I could see that the media campaign against the Truth Committee and against me personally actually had the opposite effect among the Greek population to the one it intended. As I went about my business in Athens, in the street or in public transport, on numerous occasions people would stop me to greet me, shaking my hand warmly or asking for a selfie with me, thanked me for the work we were doing, urged me to take care, to keep safe, and so on. Not once did anyone show any disapproval, in word or deed. This was even the case when I turned up at Syntagma Square where an anti-government demonstration had been called by right-wing opposition parties. I wanted to take stock of the situation, and see what sort of people turned out for such a demonstration. I walked calmly through the rows of demonstrators, of whom there were about ten thousand. I could see that some recognized me but no-one told me to leave. I went away with the impression that the work of the Truth Committee on Greek Public Debt was not considered contrary to the interests of the Greek population by the working class and middle class people mobilizing on the right. Similarly, in the popular restaurants and cafés where I went, it was not unusual for the owner or members of staff to show their appreciation of the Committee's work.

There was a lot of international support for the Truth Committee's work. A dedicated website was set up and a broadly supported international appeal brought in a constant stream of signatures from all the corners of the world. Many foreign journalists also showed their interest. Note too that all the Truth Committee's public documents were posted on the Hellenic Parliament's website, in stark contrast to the secret diplomacy practised by Tsipras and Varoufakis.

On 4 June 2015, when Greece was once more faced with the obligation to pay a further instalment to the IMF of € 305 million and the public treasury was empty, the IMF suggested that all the payments due in June, a total of € 1,532.9 million, be paid in one go on 30 June 2015. That enabled the Troika to exert maximum pressure on the government before the end of the Second Memorandum due to expire on 30 June 2015.

On 3 June 2015, Tsipras had been to Brussels to meet Juncker and Dijsselbloem who were in direct contact with Merkel, Hollande [30] and Lagarde. Varoufakis had once again been left aside: Tsipras did not ask him to accompany him. The Troika simply intended to put maximum pressure on the prime minister who had already shown that he was ready to make big concessions. However Tsipras's enormous concessions were never enough for the Troika, who wanted to force him into capitulation all along the line. They hoped to manage that by 6 June.

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Finally Tsipras decided to return to Athens on 4 June. The next day he criticized the Troika's intransigence before the Hellenic Parliament without explaining the new concessions he had made and which were still not enough. He thus gave the public and parliament the impression that he was resisting strongly by assuring them that he would not cross the red lines fixed by his government and Syriza's parliamentary group.

On the Greek side, negotiations continued in Brussels with Chouliarakis in charge, trying as hard as he could to satisfy the Troika but with no substantial results.

On 11 and 15 June, the Truth Committee for Greek Public Debt organized two public sessions of witness hearings. Philippe Legrain, former advisor to Jose Manuel Barroso who presided the

European Commission between November 2004 and November 2014, testified on 11 June, and Panagiotis Roumeliotis on 15 June. The Committee's audience, consisting of members of the Greek public, never ceased to grow.

On 17 June, in the Hellenic Parliament, the Truth Committee presented its Preliminary Report before the president of the Hellenic Parliament, the prime minister and a dozen members of the government. It fell to me to deliver the main report and that was broadcast live on the parliamentary channel. [31] A dozen MPs from other countries attended. They came from France, Belgium, Germany, Spain, Argentina, Tunisia and other countries to show their support of the Committee's work and of the demand for cancellation of illegitimate debt. The report concludes that the entire debt claimed by the Troika is illegitimate, odious, illegal and unsustainable. Tsipras, who came to greet the Committee at the beginning of the session, left without making any public declaration. The public presentation of the different parts of the report took two whole days. The report, just under a hundred pages long, was distributed in Greek and English, and published straight away on the Hellenic Parliament's website. In the weeks that followed, it was translated and published in French, German, Italian, Spanish and Slovenian.

Meanwhile, on 18 June at the meeting of the Eurogroup in Brussels, the Troika put the squeeze on the Greek government. Benoît Coeuré, of the ECB, announced that Greek banks might have to close on 22 June. [32] Christine Lagarde, for the IMF, was also aggressive.

"On 18 June at the meeting of the Eurogroup in Brussels, the Troika put the squeeze on the Greek government. Benoît Coeuré, of the ECB, announced that Greek banks might have to close on 22 June. Christine Lagarde, for the IMF, was also aggressive"

Varoufakis writes that on 20 June, Tsipras was despondent and handed him the draught of a speech he planned to address to the Nation, explaining the need to capitulate before the demands of the Troika. Varoufakis asserts that he told him: 'If you want to capitulate, capitulate, but do it properly'—and I handed him a sheet of paper on which I had written the outline of a speech, a speech to the Nation, that he should read on television:

- 'Fellow Greeks, we have fought valiantly against an ironclad troika of creditors. We gave it our all. Alas, it is hard to argue with creditors who do not want their money back. We faced down the world's strongest institutions, the local oligarchy, powers much greater than ours. We have received no help from anyone. Some, like President Obama, had kind words for us. Others, like China, looked sympathetically towards us. But no-one came forward to offer any tangible assistance against those who are determined to crush us. We are not giving up. Yet we have to put down our weapons today in order to fight better in the future. Today I am signalling to you that we choose to live to fight another day. Tomorrow morning, I shall accede to the Troika's demands. But only because this war has many battles ahead. As of tomorrow, and after I yield to the Troika's terms, my ministers and myself will embark on a pan-European tour to inform the peoples of Europe about what happened, to energize them and to invite them into a common struggle to end the rot and to reclaim Europe's democratic principles and traditions.' [33]

End of quotation from Varoufakis's speech.

The strategy laid out here typifies one of the fundamental weaknesses of the finance minister's orientation: it leads to capitulation. If we follow Varoufakis's reasoning and the recommendations made to Tsipras and his government, it is only after having capitulated that they would have made the grand tour to ask the people of Europe to mobilize. Why would they mobilize? To show solidarity with a government that has capitulated? It was in February that they should have begun the

systematic organization of a national and international campaign of mobilization in support of the actions that the government should have resolutely undertaken instead of the first capitulation of 20 February. Then at several key moments, Tsipras and Varoufakis should have taken the necessary decisions to avoid capitulation. Neither of them did so.

Varoufakis comments: 'After reading it Alexis said in his now familiar dejected manner, "I cannot admit to our people that I am going to surrender." His meaning was clear: he had indeed decided to surrender, he just could not bring himself to tell the people.' [\[34\]](#)

"Tomorrow morning, I shall accede to the Troika's demands. But only because this war has many battles ahead"

In any case, the systematic concessions made by Tsipras in his talks with the Troika make the dénouement of early July 2015 easy to understand.

Confronted with the Troika, who wanted a humiliating capitulation which Tsipras did not feel ready for, he finally called a referendum. He made the decision on 26 June, after a summit held in Brussels on 25 June where once again, the presidencies of the European Commission, and the Eurogroup, the heads of government of the Eurozone, the ECB and the IMF had brought maximum pressure to bear on him.

Tsipras left Brussels on 26 June and announced that a referendum would be held on 5 July 2015.

Over the following days, to all those who were waiting for Tsipras to finally take a firm stance to stop the concessions being made to the Troika, the call for a referendum seemed like a wonderful signal of renewed hope. The hope was all the stronger since the government was asking the people to say what they thought of the Troika's demands and called for them to be rejected.

This is the way that the question the Greeks were to answer was formulated: 'Do you approve of the proposal made to Greece by the European Commission, the IMF and the ECB during the Eurogroup meeting of 25 June, and composed of two parts, which constitute their unified proposal? The first document is entitled "*Reforms For The Completion Of The Current Program And Beyond*" and the second, "*Preliminary Debt Sustainability Analysis*.".' The possible answers were stated as "Not approved/No" and "Approved/Yes".

The two documents referred to were made public by the government and could be read or downloaded on the referendum website.

This was making democracy triumph over the dictates of the creditors, no more, no less. It was late in the day, but there was still time for the government to pull itself together and push through a series of alternative measures should the people mandate the government to reject the Troika's demands.

It is not clear what Tsipras really intended in calling the referendum. There have been several interpretations.

Varoufakis's version deserves to be considered. He claims that Tsipras announced his decision on 26 June to the inner circle with him in Brussels. These were Dragasakis (deputy prime-minister), Sagias (the legal advisor), [\[35\]](#) Tsakalotos (who officially replaced Varoufakis in contacts with the Troika), Pappas (Tsipras's alter ego), [\[36\]](#) Stathakis, [\[37\]](#) Chouliarakis and Varoufakis himself. Varoufakis claims to have asked those present:

- 'Are we calling this referendum, to win it or to lose it?'

He goes on:

- “The only answer I got, and I believe it was an honest one, was from Dragasakis: “We need an emergency exit”.

Like him, I was convinced that we would lose the referendum. In January, the combined pro-government vote had only been 40 per cent, and we were now facing a whole week of closed banks and scare stories in the media before 5 July. But unlike me, Dragasakis wanted to lose so as to legitimize our acceptance of the Troika’s terms.’ [38]

Further on, Varoufakis reiterates that the aim of Tsipras’s inner circle (from which he excludes himself on this matter) in calling the referendum, was to get the legitimacy for capitulation. He writes that on 27 June he suggested to Tsipras and the other members of the war cabinet that they announce some strong measures such as the intention to postpone repayment to the ECB for two years, [39] which Tsipras, Dragasakis and Tsakalotos refused. He adds: ‘It was as we were leaving Maximos that the realization hit me hard: this [defeat at the referendum] was, in fact, their intention.’ [40]

When he called the referendum, was Tsipras already thinking that the government would lose it, as Varoufakis claims? It is hard to know. According to Stathis Kouvelakis, on 26 June Tsipras thought the ‘no’ vote would win with more than 70 per cent. [41] Varoufakis says that Tsipras expected the ‘yes’ vote to carry it which would give him the legitimacy to capitulate.

One thing is certain: for Tsipras, as Kouvelakis points out, [42] calling a referendum did not signal breaking away from the Troika. It was a tactical move aimed at regaining the initiative to get out of the deadlock and continue negotiations in better conditions.

Moreover, Tsipras did try to carry out negotiations during the week before the referendum. [43]

Dragasakis, who was also in favour of pursuing negotiations and making concessions, made a public declaration for the cancellation of the referendum call as he thought that it would complicate discussions with the Troika.

Varoufakis emphasizes that there was no desire among the members of the war cabinet [44] to organize a campaign for the ‘no’ vote. So for example, ministers were not encouraged to go round the country and to hold meetings in favour of the ‘no’ vote. [45] The only meeting was a big rally held on 3 July, two days before the referendum.

That Varoufakis should have been convinced that the ‘yes’ vote would carry it shows just how disconnected he was from how the majority of Greeks felt.

The fact that the ‘no’ vote won without there having been a proper campaign organized by the government shows how determined a large part of the population was to resist the creditors.

As for the Troika, their reaction was violent: the ECB managed to force the government to close the banks during the week before the referendum.

On Monday 29 June, Juncker condemned the call for a referendum – an unheard-of step for a president of the European Commission – and appealed to Greeks in no uncertain terms to vote ‘yes’ rather than ‘to commit suicide’. His words may well have been counter-productive.

On 30 June, Benoît Coeuré, Member of the Executive Board of the ECB, announced that if the Greeks voted ‘no’, they would almost certainly be expelled from the Eurozone, whereas if they voted

'yes', the Troika would come to Greece's rescue. François Hollande made a similar declaration.

The mainstream media in Greece all appealed for a 'yes' vote and explained that if 'no' carried it, it would lead to catastrophe.

In the days leading up to the referendum a series of international personalities, especially Americans, supported the 'no' vote: Senator Bernie Sanders and the Nobel laureates in Economics, Joseph Stiglitz and Paul Krugman.

On 3 July, people swarmed to Syntagma Square to listen to Tsipras and clamoured their fervour for the 'no' vote. Many eye-witnesses noted that Tsipras was visibly uncomfortable as the crowd applauded him heartily for his courage in facing down the creditors. He kept his speech brief.

There were far fewer people at the 'yes' rally than the 'no' one.

On 5 July, the results were unmistakeable: a high rate of participation (62.5 per cent) and 61.31 per cent of 'no' votes. In the working-class areas, the 'no' vote reached 70 per cent. A poll indicated that 85 per cent of young people between 18 and 24 years old voted 'no'. [\[46\]](#)

The European leaders were totally nonplussed: their threats had not produced the desired effect on the Greek people.

"On 5 July, the results were unmistakeable: a high rate of participation (62.5 per cent) and 61.31 per cent of 'no' votes... The European leaders were totally nonplussed: their threats had not produced the desired effect on the Greek people"

Yet on 6 July, Tsipras met with the parties who had campaigned for the 'yes' vote and, within 24 hours, had drawn up with their help a position that conformed to the Troika's demands, even though those demands had been rejected in the referendum. This was betrayal of the people's verdict, all the more flagrant as he had publicly sworn to respect the result of the referendum, whichever way it went.

Tsipras immediately renewed contact with Brussels and found that the European Commission and leaders of the Eurogroup, very angry with him, intended to make him pay for his insolence and to humiliate the Greek population.

Despite this, Tsipras went to Brussels to hand over the proposal that he had concocted with the 'yes' parties. It closely resembled the proposal rejected two days earlier by the 61.31 per cent of the Greeks who had taken part in the referendum. However the European leaders told Tsipras that they no longer trusted him and demanded a vote in the Hellenic Parliament on the proposals which from their point of view was the only way to make them credible and the condition upon which they insisted before resuming official negotiations. Tsipras did as he was told and on 10 July he received massive support from the Hellenic Parliament to submit his plan to the Troika once more. The three parties which had lost the referendum voted in favour of the new plan while the president of the Hellenic Parliament, six ministers and deputy ministers from the Left Platform and other Syriza MPs refused to approve it. (Varoufakis was absent, having chosen to be with his daughter in his residence outside Athens). Out of 300 MPs, 251 voted in favour of the capitulation plan proposed by Tsipras. It was a full-blown crisis for Syriza.

On 11 July, in Brussels, while the IMF and the ECB were ready to accept the Greek proposal, several European ministers and heads of State wanted to impose heavier penalties.

On 13 July, following a summit of Eurozone heads of State and government, the Greek government

agreed to enter a process leading to a Third Memorandum, with harsher terms than those rejected in the referendum of 5 July. Regarding debt, the text clearly said that there would be no reduction of the amount of Greek debt: 'The Euro Summit stresses that nominal haircuts on the debt cannot be undertaken.

“On 13 July... the Greek government agreed to enter a process leading to a Third Memorandum, with harsher terms than those rejected in the referendum of 5 July”

The Greek authorities reiterate their unequivocal commitment to honour their financial obligations to all their creditors fully and in a timely manner.’ [\[47\]](#)

The pressure brought to bear by the European leaders triggered vigorous expressions of rejection the world over. On 13 July, the hashtag #THISISACOUP was tweeted 377,000 times all around the globe.

On 15 July, Syriza’s crisis deepened. A letter signed by 109 members (out of 201) of Syriza’s central committee rejected the 13 July agreement, referring to it as a *coup d’Etat* and demanding an emergency meeting of the central committee. Nevertheless, Tsipras, as president of Syriza, did not call a meeting of the central committee until two weeks later.

On 15 and 16 July, Parliament, with the votes of New Democracy, Pasok and To Potami, but without the votes of thirty-nine Syriza MPs out of 149 (thirty-two against, including Varoufakis, six abstentions and one absence), approved the first package of austerity measures, regarding VAT and pensions, demanded by the 13 July agreement.

On 17 July, in the wake of the 13 July agreement, the European Commission announced that they were releasing a further loan of 7 billion euros. Alexis Tsipras proceeded with a cabinet shuffle, dismissing in particular two ministers from the Left Platform, Panagiotis Lafazanis and Dimitris Stratoulis. Varoufakis had resigned on 6 July and Nadia Valavani, deputy finance minister, on 15 July.

On 20 July, Greece repaid €3.5 billion to the European Central Bank and € 2 billion to the International Monetary Fund.

On 22 and 23 July, Parliament adopted the second package of immediate measures demanded by the Troika. Among the Syriza MPs, thirty-one voted against and five abstained. Varoufakis voted for.

On 14 August, the Hellenic Parliament adopted the Third Memorandum by 222 votes against sixty-four (thirty-two of which were Syriza members out of a total of 149). There were eleven abstentions (ten from Syriza).

On 20 August, Greece repaid €3.2 billion to the ECB.

Next Tsipras called for early elections on 20 September. He won because a good many Syriza voters could see no way out other than voting for Tsipras to avoid the right returning to government. They voted for the lesser evil because they knew that the right would do even worse things in terms of austerity measures. The list of Popular Unity put up by the great majority of Syriza members and MPs who had rejected the Third Memorandum did not obtain a high enough score to enter parliament. (The list won 2.86 per cent while the threshold was at 3 per cent). There was not enough time for the list to be made known and it failed to propose a credible alternative.

On 23 September, the Truth Committee for Greek Public Debt held a meeting at the Hellenic Parliament, called by Zoe Konstantopoulou, who was still the president of parliament at that point as

the new cabinet had not yet been sworn in. The Committee adopted two new reports and deemed the new debt contracted through the Third Memorandum also odious. [48]

“On 26 September, Tsipras had Nikos Voutsis elected as president of Parliament. They decided to dissolve ipso facto the Truth Committee on Greek Public Debt and to remove all documents relating to its work from the parliamentary website”

Three days later, on 26 September, Tsipras had Nikos Voutsis elected as president of Parliament. They decided to dissolve ipso facto the Truth Committee on Greek Public Debt and to remove all documents relating to its work from the parliamentary website.

Conclusion

Over the two month period following the betrayal of the people’s verdict of 5 July, Tsipras put into practice an orientation which led to disaster. On several occasions he could have taken a different turn, but failed to do so. The enthusiasm that the referendum of 5 July had given rise to was intense and ended in terrible disappointment.

Did Varoufakis steadfastly defend a credible alternative, as he claims? Clearly he did not. He accompanied Tsipras and his inner circle and never publicly distanced himself while there was still time. When he resigned, he did it in terms that compound the confusion. In the public explanation of his resignation on 6 July he wrote:

- ‘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 potentially helpful to him in reaching an agreement. For this reason I am leaving the Ministry of Finance today. I consider it my duty to help Alexis Tsipras, as he sees fit, to exploit the capital that the Greek people granted us through yesterday’s referendum. (...) I shall fully support Prime Minister Tsipras, the new minister of finance and our government.’ [49]

“Over the two month period following the betrayal of the people’s verdict of 5 July, Tsipras put into practice an orientation which led to disaster”

As for his Plan X, it was not until his decision to close the banks that Varoufakis discovered, as he himself declares, that the Bank of Greece disposed of a reserve of bank-notes in euros to the amount of €16 billion which, had the government chosen to, could have been put back into the circuit, for example by stamping them as a non-convertible complementary currency, and put into circulation via automatic cash machines. At this point, he confesses that he had opposed the use of this financial manna while the leader of the Left Platform was trying to persuade Tsipras to make use of it.

Fortunately, Varoufakis did add his voice to the refusal of the Third Memorandum in the night of 15 to 16 July, voting ‘no’ with the MPs of the Left Platform and Zoe Konstantopoulou.

As regards the Left Platform, there is no denying that it committed a grave error in not making public its disagreement right away after the first capitulation of 20 February. It did not make public the Plan X that had been drawn up notably by Costas Lapavistas. After the betrayal of the referendum result, the Platform mainly settled for denouncing Tsipras’s policies and seemed incapable of putting forward an alternative proposal in an offensive and credible way.

There were no major spontaneous mobilizations because the majority of left-wing people who had fought mainly between 2010 and 2012 trusted Tsipras and he never called upon the people to mobilize. As for the left-wing forces outside parliament who called for mobilization, they were too

weak.

The factors which led to disaster are clearly identifiable: the refusal to confront European institutions and the Greek ruling class, the practice of secret diplomacy, repeated announcements that the negotiations would obtain good results, the refusal to take the necessary strong steps (that is, they should have suspended debt payments, controlled capital flows, taken control of the banks and cleaned them up, put a complementary currency into circulation, raise salaries and pensions, lower VAT rates on certain commodities and services, cancel illegitimate private debt), the refusal to make the rich pay, the refusal to call for national and international mobilization, and more. Yet as we shall see in the next chapter, the tragic dénouement was not unavoidable. It was possible to implement a credible, coherent and efficient alternative in the service of the population.

Eric Toussaint is a historian and political scientist who completed his Ph.D. at the universities of Paris VIII and Liège, is the spokesperson of the CADTM International, and sits on the Scientific Council of ATTAC France.

He is the author of *Bankocracy* (2015); *The Life and Crimes of an Exemplary Man* (2014); *Glance in the Rear View Mirror. Neoliberal Ideology From its Origins to the Present*, Haymarket books, Chicago, 2012 (see here), etc.

See his bibliography: https://en.wikipedia.org/wiki/%C3%89ric_Toussaint

He co-authored *World debt figures 2015* with Pierre Gottiniaux, Daniel Munevar and Antonio Sanabria (2015); and with Damien Millet *Debt, the IMF, and the World Bank: Sixty Questions, Sixty Answers*, Monthly Review Books, New York, 2010. Since the 4th April 2015 he is the scientific coordinator of the [Greek Truth Commission on Public Debt](#).

Eric Toussaint

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P.S.

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<http://www.cadtm.org/Tsipras-and-Varoufakis-advance-towards-final-capitulation>

Footnotes

[1] Euclid TSAKALOTOS (1960): Finance Minister in Tsipras's cabinet, replacing Yanis Varoufakis from 6 July to 27 August 2015. He resumed this portfolio in the second Tsipras cabinet from 23 September 2015 to 9 July 2019.

[2] George CHOULIARAKIS: President of the council of Economists; Finance Minister in the interim cabinet from 28 August to 21 September 2015; one of Greece's main negotiators in Brussels to set up the 13 July agreement. He systematically defended the Troika's interests.

[3] Y. Varoufakis, *Adults in the Room*, Chapter 14, pp. 389-391. See also Viktoria Dendrinou and Eleni Varvitsioti, *The Last Bluff. How Greece came face-to-face with financial catastrophe and the secret plan for its euro exit*, Athens, Papadopoulos publisher, 2019, p. 84.

[4] Hearing of Philippe Legrain, former advisor to Barroso, at the Hellenic Parliament (11 June 2015): 'le gouvernement grec a tout intérêt à ne pas céder aux créanciers' (It is in the Greek government's best interests not to give in to its creditors)

<http://www.cadtm.org/Audition-de-Philippe-Legrain-ex> (in French only). Also quoted by Ozlem Onaran (30 June 2015) in 'Why Europe needs a debt conference'

<http://www.cadtm.org/Why-Europe-Needs-A-Debt-Conference>

[5] Hearing of Panagiotis Roumeliotis (15 June 2015), former representative for Greece at the IMF from March 2010 to December 2011: 'Il faut que les créanciers reconnaissent leurs responsabilités' (Creditors must acknowledge their responsibility)

<http://www.cadtm.org/Audition-de-Panagiotis-Roumeliotis> (in French only).

[6] Zoe KONSTANTOPOULOU (1976): Syriza MP from 2012 to September 2015, President of the Hellenic Parliament from February to September 2015. Set up the Committee for Truth on the Greek Debt in March 2015. Opposed the 20 February 2015 agreement and the betrayal of the 5 July 2015 referendum. In 2016, she created the party called Course on Freedom.

[7] Panagiotis LAFAZANIS (1951): one of the leaders of the Left Platform within Syriza, minister for energy in the first Tsipras cabinet from January to July 2015, leading figure of the Popular Unity until 2019, a party that was created at the end of August 2015 by those who left Syriza and opposed the third Memorandum of Agreement. Resigned from his position at the head of PU in July 2019 after his party's electoral defeat.

[8] Dimitris STRATOULIS (1958): former trade unionist, Syriza MP in 2015, Alternate Minister of Social Security in the first Syriza cabinet. Joined Popular Unity

[9] Costas ISYHOS (1957), Greek-Argentinian, had been in charge of Syriza's international contacts (outside Europe) for years and was Alternate Minister of National Defence in the first Syriza cabinet. Member of the Left Platform then of Popular Unity.

[10] Nadia VALAVANI (1954): a member of Syriza's Left Platform, she was Alternate Minister of Finance from January to July 2015, then joined Popular Unity. Nadia Valavani is a respected public figure in Greece, notably for her courage in the struggle against the Colonels' dictatorship.

[11] Wolfgang SCHÄUBLE (1942): German Federal Minister of Finance from 28 October 2009 to 24 October 2017. Since that date he has chaired the Bundestag.

[12] Angela MERKEL (1954): a member of the Christian Democratic Union (CDU), of which she was president from 2000 to 2018, German Federal Chancellor since 2005.

[13] Yannis STOURNARAS (1956): Governor of the Bank of Greece since June 2014. Consistently acted in the interests of the Troika.

[14] Costas LAPAVITSAS (1961): an economist, he teaches at SOAS, London. Was active in setting up the Greek Committee for a Citizen audit of the Debt (ELE) back in 2011. He became a Syriza MP in January 2015, but left Syriza in August 2015 and participated in the creation of Popular Unity.

[15] Varoufakis, Chapter 15, p. 406.

[16] Statement by Eric Toussaint after meeting the minister of pensions, Dimitris Stratoulis, on 15 May 2015, <http://www.cadtm.org/Eric-Toussaint-s-statement-after> Consulted 16 September 2019.

[17] Kyriakos MITSOTAKIS (1968): leader of New Democracy (right-wing party). Prime Minister since July 2019.

[18] Yanis DRAGASAKIS (1947): a Syriza leader, a friend of bankers', a member of the 'trio' with Tsipras and Pappas. Deputy Prime Minister from February 2015 to July 2019. Pushed towards the capitulations of 20 February and 13 July 2015.

[19] The Greek edition was published in 2013 by the Alexandria publishing house in Athens. I gave Alexis Tsipras a copy in October 2013.

[20] Rania ANTONOPOULOS (1960): Syriza MP from 2015 to 2019. Alternate Minister for Combatting Unemployment from January 2015 to February 2018. Resigned for having received a rent subsidy of €23,000.

[21] After the 20 February agreement, the Left Platform's amendments got more than 40 per cent of votes in the Central Committee, well over the 30 per cent of elected members of the Left Platform. A 'break-away' bloc had formed within Syriza including, apart from the Left Platform itself - that is, the Lafazanis tendency— and the Trotskyist organization DEA (International Workers' Left), Zoe Konstantopoulou, the former Maoists of the KOE tendency (Greek Communist Organization), a splinter-group from PASOK, and finally Manolis Glezos and Yanis Milios.

[22] Costas Lapavitsas, Heiner Flassbeck, Cédric Durand, Guillaume Elevant, Frédéric Lordon, *Euro, plan X. Sortir de la crise en Grèce, en France and en Europe* (Euro, Plan X: Ending the Crisis in Greece, France and Europe), Paris, Editions du Croquant, 2016, pp. 25- 114.

[23] Stathis KOUVELAKIS (1965): Professor of Political Philosophy at King's College, London. He was a member of SYRIZA's Central Committee before participating in the creation of Popular Unity.

[24] See foreword by Stathis Kouvelakis and Alexis Cukier to Costas Lapavitsas, Heiner Flassbeck, Cédric Durand, Guillaume Elevant, Frédéric Lordon, *Euro, plan X. Sortir de la crise en Grèce, en France and en Europe*, Paris, Editions du Croquant, 2016, p. 14.

[25] Daniel MUNEVAR (1985): counsellor to Varoufakis from March to July 2015. Daniel Munevar is a postkeynesian economist from Bogotá, Columbia. See Chapter 4.

[26] James K. GALBRAITH (1952): A US Keynesian economist.

[27] Mario DRAGHI (1947): President of the European Central Bank from November 2011 to October 2019. Vice-chairman and managing director of Goldman Sachs from 2002 to 2005, then governor of the Bank of Italy from 2006 to 2011.

[28] Christine LAGARDE (1956): Chairman and managing director of the IMF from July 2011 to September 2019. Formerly Minister of Economy and finance under Nicolas Sarkozy from June 2007 to June 2011. Nominated as President of the European Central Bank from October 2019.

[29] Jean-Claude JUNCKER (1954): President of the European Commission from November 2014 to July 2019.

[30] François HOLLANDE (1954): President of the French Republic from May 2012 to May 2017. Formerly first secretary of the French Socialist Party from 1997 to 2008.

[31] See the video with English subtitles: Eric Toussaint's speech at the presentation du Preliminary Report of the Truth Committee on Greek Public Debt, 17 June 2015, published 11 August 2015, <http://www.cadtm.org/Eric-Toussaint-s-speech-at-the> consulted 16 September 2019.

[32] See Viktoria Dendrinou and Eleni Varvitsioti, *The Last Bluff*. How Greece came face-to-face with financial catastrophe & the secret plan for its euro exit, Athens, Papadopoulos publisher, 2019, page 112.

[33] Varoufakis, Chapter 16, p. 433.

[34] Varoufakis, Chapter 16, p. 433.

[35] Spyros SAGIAS: legal counsellor of Prime Minister Alexis Tsipras, had been counsellor to the cabinet of socialist Simitis in the 1990s, at a time when they launched a major programme of privatisations, and to Cosco, the Chinese conglomerate that had bought shares in the Piraeus harbour. He served the interests of the Qatari Emir in 2016, when the latter wished to buy a Greek island, and was again counsellor to Cosco in 2016-2017 in a labour dispute with workers in the Piraeus harbour.

[36] Nikos PAPPAS (1976): a leader of Syriza, member of the 'trio' with Tsipras and Dragasakis, Deputy Prime Minister in both Tsipras cabinets, Minister of telecommunications. Elected as Syriza MP in July 2019.

[37] George STATHAKIS (1953): a member of the team of economists around Tsipras, he was Minister of Economy in the first Tsipras cabinet and again for one year in the second cabinet, then became Minister of Energy and Environment until July 2019. Consistently acted against an audit of the Greek debt and for capitulation. Was not reelected as Syriza MP in July 2019.

[38] Varoufakis, Chapter 16, p. 433.

[39] Note that "to announce the intention" not to repay the ECB for two years is ambiguous, and does not mean the same thing as to implement suspension of payment. To announce the intention could mean 'Stop us from proceeding to suspension; make us a new offer.' Moreover Varoufakis writes 'We don't have to rush into them,' I said. 'Just signal them today.' Chapter 17, p. 448.

[40] Varoufakis, Chapter 17, p. 449.

[41] Stathis Kouvelakis, *La Grèce, Syriza et l'Europe neoliberale, Entretiens avec Alexis Cukier*, La Dispute, Paris, 2015, p. 145. (in French)

[42] Kouvelakis, *Ibid.*, p. 145.

[43] See Viktoria Dendrinou and Eleni Varvitsioti, *The Last Bluff*, p. 139-140.

[44] The war cabinet consisted of a small circle of people Tsipras trusted, whether ministers or

counsellors.

[45] Varoufakis, Chapter 17, p. 446.

[46] Kouvelakis, *La Grèce, Syriza et l'Europe neoliberale*, p. 148. Note that the Communist Party (KKE) called for a blank vote, with the risk that the 'yes' vote would carry it. (See Kouvelakis, p. 165).

[47] See the Statement of the Euro Summit at Brussels, on 12 July 2015, accessible on the Council of Europe's official website:
<https://www.consilium.europa.eu/media/20353/20150712-eurosummit-statement-greece.pdf>

[48] Truth Committee for Greek Public Debt, 'Illegitimacy, Illegality, Odiousness and Unsustainability of the August 2015 MoU and Loan Agreements' published 5 October 2015, <http://www.cadtm.org/Illegitimacy-Illegality-Odiousness> consulted 16 September 2019. See also: 'The Third Memorandum is unsustainable just like the previous two' published 1 October 2015, <http://www.cadtm.org/The-Third-Memorandum-is> consulted 16 September 2019.

[49] Varoufakis, Chapter 17, p. 472.