

Varoufakis's Secret Negotiations and His Disappointments with China, Obama and the IMF

By [Eric Toussaint](#)

Global Research, February 27, 2019

Region: [Europe](#)

Theme: [Global Economy](#), [History](#)

In chapter 11 of his book, [Adults in the Room](#) Yanis Varoufakis tells how he arranged the sale of the third container terminal of the Port of Piraeus to the Chinese corporation Cosco who manage the other two quays since 2008. As Varoufakis explains himself, Syriza had promised, before the elections, that they would not further privatize the port of Piraeus. Varoufakis says "From 2008 to 2015 Syriza had campaigned not only to prevent this but to evacuate Cosco altogether". He adds "a couple of my fellow cabinet ministers owed their election to parliament to this campaign". [1] Varoufakis nevertheless hastened to conclude a deal with Cosco. He had the help of one of Tsipras' principal advisers, Spyros Sagias, who until the previous year had been a legal advisor to Cosco. There was a blatant conflict of [interest](#) here, which Varoufakis acknowledges. It was in fact Sagias' firm that produced the first deals for Cosco in 2008. Sagias had also been adviser, in the 1990s, to PASOK Prime Minister Konstantinos Simitis who launched the first big wave of privatizations. In 2016, after leaving his post as government secretary to Tsipras, Sagias went zealously back to his firm and back into Cosco's service. [2] Varoufakis shamelessly tells how he reviewed the public offer in March 2015 to ensure that it was what Cosco wanted: "Sagias and I briefed Alexis [Tsipras] and began preparations. The intention was to restart the formal bidding process under the new conditions that the Chinese government had accepted". [3]

This is how Varoufakis summarizes the offer he made to Beijing through the Chinese ambassador in Athens:

"Greece has a highly educated workforce, yet wages have fallen by 40 per cent. Why not get companies like Foxconn to build production and assembly facilities in a tech park enjoying a special business tax regime in an area close to Piraeus?" (p. 312).

This proposal contains all the arguments used by neoliberal governments to attract investment: qualified manpower on the cheap and tax breaks for the investors.

Varoufakis writes that he suggested to the Chinese authorities that they purchase the Greek railways as an easy access to the rest of the European market and as a new link in their modern Silk Road project. This proposal, however, did not work out. [4] The offers Varoufakis made to the Chinese were very contentious: borrow from China to pay the [IMF](#)! Abandon control over its railways; then follow up with more privatizations!

Varoufakis had hoped to convince the Chinese government, in March 2015, to purchase Greek Government treasury bills (Tbs) to a value of several billion euros, the product of which he hoped to use to pay IMF instalments. To Varoufakis's great disappointment the Chinese leaders did not keep their promises; they purchased only one hundred million euros

on each of two occasions. Berlin had warned the Chinese off: someone from Berlin had apparently called Beijing with a blunt message: “Stay out of any deals with the Greeks until we are finished with them”. [5]

Finally, the agreement with Cosco was not settled by Varoufakis. It happened at the beginning of 2016 with conditions that Varoufakis says are even more favourable to Cosco than what he had offered. [6] This indicates that the Chinese authorities had in fact come to agreement with Berlin to let Greece be stifled in exchange for richer pickings later. Chinese, German, Italian and French corporations, among others, acquired Greek assets for a song. In any case, if the Chinese had kept their promises to purchase Greek Tbs in 2015 as Varoufakis had hoped that would certainly not have benefited the Greek people or helped them retain some measure of sovereignty.

The Russians also rejected Greece’s request for help. They were contacted by Tsipras and Lafazanis shortly after Varoufakis’s contacts with Beijing. [7] Vladimir Putin negotiated with Angela Merkel for the EU to soften its reprisals against Russia on the Ukrainian issue in exchange for Russia stepping back from helping Greece.

Varoufakis and Tsipras’ hopes of help from Obama were also dashed. According to Varoufakis the Obama administration made it clear that Greece was part of Berlin’s sphere of influence and Obama himself recommended that Greece make concessions to the [Troika](#). [8]



“Let Greece breathe”, at a London demonstration in solidarity, February 2015

Varoufakis’s and Tsipras’ secret diplomacy and misleading information

Varoufakis tells his version of the Eurogroup meeting that followed the 20 February capitulation that was falsely presented to the Greek people as a success that resulted in the end of the Troika and debtors prison for Greece. During this meeting Varoufakis did not obtain a single concession from the European leaders, the [ECB](#) or the IMF. Varoufakis clearly lays the blame for the “success” story on Tsipras whom, he reports, said: “We are spinning it as a success: political negotiations to commence in Brussels along the lines of the 20th February agreement in order to end the impasse”. [9]

What is most noticeable is how much time Varoufakis and Tsipras spent in ceaselessly meeting abroad, taking part in negotiations in which they made concessions whilst the

Troika methodically plodded on in its task of destroying the hopes of the Greek people. It did not occur to either of them to consult the Greek people, to organize meetings with the Greek population to explain what was really going on, to tell the voters of the measures they proposed in response to the humanitarian crisis and to give a boost to the economy.

Neither Varoufakis nor Tsipras sought to create contact with international public opinion, to create a movement of international solidarity with the Greek people. Never did they take the time, when in Brussels or in any other capital, to directly address the many activists who wanted to know what was happening and to show their solidarity with the Greek people.

Varoufakis and Tsipras are guilty of not developing massive and active solidarity. In order to have great waves of citizens moving in favour of the Greek people it was necessary to call for it, and to inform the people of, and counter, the massive smear campaign directed against the Greek people as well as the Greek government.

Varoufakis and the IMF

On 12 February 2015, Greece paid €747.7 million for one of the loans granted by the IMF in the context of the first MoU. It was a serious mistake. They should have defaulted on this debt for two reasons: 1. the state of necessity [10] in which the Greek government found itself and the urgency to give priority to fighting the humanitarian crisis; 2. the launch of an audit of the debt with citizens' participation, during which payments had to be suspended. [11] This audit could be justified by Regulation 472/2013 of the European Union, which says that "A Member State subject to a macroeconomic adjustment programme shall carry out a comprehensive audit of its public finances in order, inter alia, to assess the reasons that led to the building up of excessive levels of debt as well as to track any possible irregularity." [12] Neither Varoufakis nor Tsipras ever seriously considered suspending payments during an audit process aimed at assessing whether the debt claimed was legitimate or not, odious or not.

It would have been possible for the government to start a communications campaign to delegitimize the IMF loans to Greece from 2010 onward. Tsipras and Varoufakis had in their hands the secret IMF files that testified to the odious and illegitimate nature of those loans. The problem was that Varoufakis was convinced that it did not make sense to refer to the illegitimate and odious nature of loans to Greece.

The Wall Street Journal had made the secret IMF files public as early as October 2012, as mentioned in a previous article [Greece: Leaders' Ambivalence regarding debt and the financial system, even though resistance started on a promising note](#). A few days after their publication, I had met Tsipras to discuss the possibility of collaborating with the CADTM to carry out an audit of the debt. I told him and John Milios, his economic advisor at the time: "That gives you a solid reason to challenge the IMF. If there is proof that the IMF knew that its programme would fail and that the debt would not be sustainable, there is enough evidence for us to wage war against the illegitimacy and illegality of the debt". [13] Tsipras replied, "But look here... the IMF keeps its distance from the European Commission." [14] I could see that he thought the IMF could support Syriza if it came to power. There was no solid basis for this assumption.

In February 2015, Tsipras and Varoufakis were still stuck in those vain hopes. They thought they could coax the IMF, notably counting on Barack Obama's support and on the influence of the US advisors Varoufakis had chosen, namely Jeffrey Sachs and Larry Summers. They

were wrong. Varoufakis had the first evidence of this on 20 February, and in the following days, when Christine Lagarde, the IMF Managing Director, told the Eurogroup that the current MoU had to be carried out.

In spite of this obviously hostile attitude on the part of the IMF, Varoufakis and Tsipras went along with further repayments to the IMF through the month of March 2015. Varoufakis explains that he paid the IMF €301.8 million on 6 March, €339.6 million on 13 March, €565.9 million on 16 March and €339.6 million on 20 March. Altogether, more than €1,500 million were paid in March, which drained all available [liquidities](#), while Varoufakis' hope of finding funding in China had vanished and the ECB had confirmed that it would not pay the interest owed to Greece on the bonds it had bought between 2010 and 2012, and that it would not restore Greek banks' normal access to liquidities. Yet the Greek government desperately needed the money it paid to the IMF in order to fight the humanitarian crisis and create jobs. Varoufakis writes, "It was a miracle that my ministry managed to find that €1.5 billion for the IMF while also meeting our obligations to civil servants and pensioners." [15]

The decision to suspend debt payments to the IMF

Varoufakis records a surrealistic meeting between Tsipras and his main ministers on Friday 3 April 2015. Before the meeting he tried to persuade Tsipras not to go ahead with the next payment to the IMF scheduled for 9 April 2015 (€462.5 million). He argued that they had to put pressure on the European leaders and the ECB to get something from them such as the retrocession to Greece of the two billion euros of profits the ECB had made on 2010-2012 Greek bonds, since they had not managed to get anything in March. Varoufakis says he felt he had failed to persuade Tsipras. He records Tsipras' words and behaviour during the "informal council of ministers" [16] that ensued:

"Confined to a grim assessment of a process that was evidently going nowhere, the more he talked the greater the gloom in the room. By the time he had concluded, there was a leaden atmosphere of resignation. Every minister who contributed to the ensuing discussion spoke in a distinct tone of melancholy. Once everyone who wanted to had spoken, Alexis took the floor again to wrap up the meeting. He began much as he had ended his introductory speech - slow, subdued, almost depressed - recounting how difficult the situation was and the dangers involved, but gradually he picked up a little in speed and buoyancy.

" 'Before you all came in, I was talking with Varoufakis in my office. He was trying to convince me that it is time to default to the IMF. He was telling me that they are showing no signs of wanting to compromise so that a difficult but decent agreement, one that is economically viable and politically manageable for us, can be reached. I explained to him that this is not the right time to default. (...) But you know what, comrades? I think he is right. Enough is enough. We have been playing by their rules. We accepted their process. We bent over backwards to show them that we are willing to compromise. And all they did was to delay us and then blame us for the delay. Greece is still a sovereign country and we, the cabinet, have the duty to say, "Enough!" Then, rising from his chair and with his voice growing louder, he pointed at me and bellowed, 'Not only are we going to default but you are going to get on a plane, go to Washington and tell the lady in person that we shall default on the IMF!'

"The room erupted with cheers. Colleagues looked at one another for confirmation of what they had heard, fully recognizing its historic nature. The gloom and darkness vanished as if a curtain had been ripped back on a sunny day. Like everyone else but perhaps more, much

more, I allowed myself a moment of elation. At that moment it felt like the nearest thing to a sublime Eucharist a bunch of atheists can experience.” [17]

Varoufakis’ silence on the Truth Committee on Public Debt

The continuation of this story is both farcical and outrageous. Varoufakis left next day for Washington via Munich for an emergency meeting with Christine Lagarde, Managing Director of the IMF. While he records at length his meeting on 3 April and when he met Lagarde on 5 April, there is not a word about a meeting he attended on 4 April. This is significant since on that day the Truth Committee on Greek Public Debt was inaugurated at the Hellenic Parliament in the presence of Alexis Tsipras, Zoe Konstantopoulou, President of the Hellenic Parliament, Prokopis Pavlopoulos, President of the Republic and of ten ministers among whom was Yanis Varoufakis, who spoke (See [4 April 2015: a landmark in the search for the truth about the Greek debt](#)). I was the scientific coordinator of the Committee and I spoke just after the President of the Republic and the President of the Hellenic Parliament and before three of my colleagues on the Committee and Varoufakis.

In fact, in his detailed book, Varoufakis completely ignores the very existence of the Committee to which he had pledged his support. Although he claims on his blog and in interviews he gave after the book’s publication that he supported the Committee, this is totally untrue.



Alexis Tsipras, Eric Toussaint and Zoe Konstantopoulou during the presentation of the Committee’s report in the Greek Parliament 17 June 2015

What is also significant in my view is that George Katrougalos, a member of the government, did not even know about the meeting on 3 April when suspension of debt payments to the IMF was decided. I was with him at his ministry while it was taking place. In the night of that same day I had a long meeting with the President of the Hellenic Parliament to fine-tune to the last details the Committee’s inaugural session, and she didn’t know about it either. Panagiotis Lafazanis, one of the six ‘super-ministers’ (as Tsipras called them), had not been invited either. This testifies to the way Tsipras and his circle function: key decisions were made secretly, in small groups, without consulting most members of the

government, or the President of Parliament or the Syriza leaders.

We should also highlight that the Committee's work for Truth on the debt had a deep impact on the Greek population, as I can personally testify. Many people came to me and conveyed their support and gratitude when I was walking in the streets of Athens or shopping in the local market of the popular district where I lived from April to July 2015. This is evidence that many were following the work of the Committee and could identify its members, who were systematically vilified by the right-wing media.

Tragedy is only a flight away from farce

Let us go back to Varoufakis' narrative. When he arrived in Washington D. C. on Sunday 5 April Tsipras reversed his previous instruction. Here is the dialogue between Tsipras and Varoufakis as recorded in the latter's book:

" Tsipras: 'Look, Yani,' he said, 'we've decided that we're not going to default, not yet.' Flabbergasted, I asked, 'Who's "we"? Who decided that "we" won't default?' Alexis, sounding coy, said, 'Me, Sagias, Dragasakis... we decided that it's not the right move just before Easter.'

'Thanks for telling me,' I replied, fuming and dejected. Adopting as cool and dispassionate a tone as I could, I asked, 'So what do I do now? Get on the same plane and return? What's the point of seeing Lagarde now?'

'No, you must hold the meeting. You must go ahead as we agreed. Go in there and tell the lady that we'll default.'

It was the most absurd thing I have probably ever heard. I cannot be hearing this right, I told myself. I needed clarification. 'What do you mean? Tell her that we'll default even though you've decided that we won't be defaulting?'

'Yes,' said Alexis. 'Threaten her so that she gets anxious enough to call Draghi and push him to stop the [liquidity](#) squeeze. Then we'll reciprocate by announcing that we're not defaulting to the IMF.'" [18]

And Varoufakis accepted to play mas' at the IMF seat and told Lagarde "I am authorized to inform you that in four days' time we shall default on our scheduled repayment to the IMF, as long as our creditors continue to stall the negotiations and the ECB continues to limit our liquidity.'" [19]

Varoufakis' trip to Washington had been made public. What Varoufakis does not say in his book is that Dimitris Mardas, whom he had appointed Alternate Minister for Finance, [20] had already told the international media that Greece would pay what it owed the IMF on 9 April 2015. Deutsche Welle, the official German press agency, wrote: "Junior Finance Minister Dimitris Mardas gave assurances on Saturday that Greece has the money. 'The payment to the IMF will take place on April 9. There is money for the payment of salaries, pensions and whatever else is needed in the next week,' Mardas said." See [this](#).



Christine Lagarde and Yanis Varoufakis

Back to Varoufakis' narrative: "Our conversation lasted a long time and covered a broad range of issues. It was friendly, constructive and pleasant because both of us made an effort to see the other's point of view. (...)

'So, do you see Christine,' I beseeched her, 'why we need some evidence that we are all on the same page? That we all want a comprehensive solution for Greece within the Eurozone?'" [21]

Further on, he claimed to have told the IMF managing director, "Let's get serious here. You folks - Mario [Draghi], Angela [Merkel] and you - have to give us a road map." [22]

He was still kowtowing to the Troika, so doing the total opposite to what Tsipras and Varoufakis claimed in their public statements: that Greece had recovered its freedom and that the Troika was no more.

Quite unashamed, Varoufakis further records the following conversation with Poul Thomsen, the IMF director for Europe, who attended the meeting: "'Not paying on the ninth is

not the solution,' he said, 'if that is what you will tell your colleagues in Europe.'

'I never said that,' I protested.

Christine intervened in my favour. 'He did not say that,' she confirmed.

'What I did say,' I clarified, 'was that if we do not get any liquidity provisioning then we will be forced to default independently of our will.'" [23]

As Varoufakis records it, he told Christine Lagarde that Greece did not intend to default but that it might have no choice if the ECB did not provide liquidities.

Once again, we see that Varoufakis never called into question the debt demanded of Greece by the IMF. He never asked for it to be reduced, nor denounced the illegitimate nature of the

debts that the IMF claimed from Greece even though they were the direct result of the first Memorandum which had done so much harm to the people of Greece. Neither did he ever threaten the IMF with a unilateral suspension of payment.

All he evoked before the IMF was the risk of a suspension of payment brought about by a lack of liquidities; and not by a wish to call into question the odious and illegitimate debts demanded of Greece.

There is a difference between defaulting on payments because of a lack of liquidities, which Varoufakis advanced as a possibility, and suspending debt payments because continuing to repay would go against the interests of the population or the government's obligations towards its people.

Varoufakis showed Christine Lagarde that the Greek government did not have the nerve to resort to suspending payments (just as on 4th February he had shown Mario Draghi that he had no real intention to resort to a unilateral haircut of the Greek bonds in possession of the ECB - See [The Varoufakis-Tsipras Line was Doomed to Fail from the Word 'Go'](#)). Varoufakis, at each major step of the negotiations, showed how weak he was. He showed that there was no risk of the threats of defaulting being carried out, thus convincing the European leaders and the IMF that they could push ahead with their asphyxiation of Greece.

Amongst the elements proving this unacceptable attitude: when on 5 April Varoufakis declared to Christine Lagarde that Greece would be forced to default on payments on 9 April if the ECB did not provide the government with liquidities, his Ministry did make the payment on the due date without the ECB reopening normal access to liquidities, and the government finally continued to empty the State coffers to repay the debt.

The way Varoufakis narrates events constantly leads the reader to make mistaken assumptions, as he claims to have genuinely given Lagarde to understand that Greece might suspend payment on 9 April. He is careful not to mention in his book that he declared the opposite to the press. There follows a quote from a Deutsche Welle press release, dated 6 April 2015: "Greek finance minister promises prompt IMF repayment. Greece has agreed to repay its debt to the International Monetary Fund due this week, according to the Fund's director. Christine Lagarde held informal discussions with Greece's finance minister in Washington. This week, Greece has to repay more than 450 million euros (\$494 million) to the IMF. After the meeting on Sunday, Yanis Varoufakis said Greece 'intends to meet all obligations to all its creditors, ad infinitum.'" See [this](#).

Not only did Varoufakis make a clear declaration to the press that Greece would pay the debt to the IMF but he added that his country would repay all creditors, ad infinitum. One can only conclude that Varoufakis' narrative of what happened between 3 and 5 April was pure hogwash, duping his readers and hoping that they would not check up on a version of facts where he depicts himself as a hero.

The rest of the account of the interview with Christine Lagarde and Poul Thomsen is extremely edifying. Varoufakis expresses the empathy that he felt for Christine Lagarde, that allowed her to lead him up the garden path. She pretends that she is not aware of the demands of the private Greek bankers and asks him to keep her updated about the situation. As for Varoufakis, he tells her that he would like the Troika to approve his idea of placing Northern European managers, preferably German bankers, at the head of the Greek banks. He gives the decision to place the Swiss Joseph Ackerman, former boss of the

Deutsche Bank, at the head of the Bank of Cyprus as an example. [24] Ackerman had been involved in multiple frauds organized by the Deutsche Bank (which at the time had been implicated in over 6 000 cases of litigation around the world), and played a detrimental role in preparing the 2012 restructuring of Greek debt, which of course Varoufakis did not mention.

When he arrived in Athens on 6 April, Varoufakis announced to Alexis Tsipras that his trip to Washington had been very fruitful. He had visibly forgotten the effect produced by Tsipras's counter-order and was convinced that his conversation with Christine Lagarde would have positive consequences for Greece. Neither, in his book, does he say a word about the payment made to the IMF on 9 April, thus continuing to omit fundamental facts of the so-called negotiation process.

Varoufakis's dialogue with Obama

On 15 April 2015, Varoufakis was back in Washington to take part in the annual spring meeting of the IMF and the [World Bank](#) to which all Finance ministers of member countries of the two institutions are invited. Varoufakis recounts the brief dialogue he had with Obama at a White House reception. There follows a significant excerpt:

“Obama: (...) I had to go against my policy to save Wall Street. To collaborate with people who had created the problem.

Varoufakis: We appreciate this well, Mr. President. Believe me, we too are ready to collaborate even with those who caused our crisis. To take the political cost of doing so.

(...)

Obama : (...) But you must compromise in your dealing with the institutions so that an agreement can be locked in.

Varoufakis : Mr. President, we are ready to compromise, compromise and compromise some more. But we are not ready to end up compromised.” [25]

Yet it seems obvious that if you compromise, compromise and compromise some more with the enemies of the people, you are bound to end up very heavily compromised.

A little further on, Varoufakis adds the sub-title “Improbable American Friends”. He refers in particular to a lawyer named Lee Buccheit (See [this](#)) who works for a large law firm that gives advice both to creditors and governments in matters of debt restructuring: the firm is Cleary Gottlieb, present in sixteen finance centres around the world (See [this](#)) It is an international firm well-known for its nuisance value by all those who have experience in the struggle against illegitimate debt. Indeed, Varoufakis explains that Lee Buccheit played an active role in the nefarious Greek debt restructuring in 2012, which had such dire consequences for Greek [pension funds](#) and the country's social security system, while preserving the interests of the private bankers and [vulture funds](#). In fact, Varoufakis went to extraordinary lengths to find support and advice, not from improbable friends but from real enemies of peoples and public goods with names such as Larry Summers, Bill Clinton's former Treasury Secretary, who shared responsibility for the abrogation of the law separating commercial banks from investment banks (i.e. the Glass-Steagall Act adopted under Roosevelt in 1933 and abrogated in 1999), Jeffrey Sachs, the brain behind the neoliberal shock therapy applied to Bolivia in 1985 and a few years later to Poland and

Russia; or Mathieu Pigasse, the head of the Parisian bank Lazard, not to mention the British Conservative Lord Norman Lamont See [Varoufakis Surrounded Himself with Defenders of the Establishment](#)

Conclusion: After the capitulation contained in the agreement made 20 February 2015 with the Eurogroup, Varoufakis tried in vain to get funding from China both to pay debts due to the IMF and to privatize a bit more of the strategic infrastructure, such as Greece's main port, Piraeus, and the railways. He also expected the IMF to support him in persuading the ECB to loosen their grip on some liquidities but that did not work. Then he had high hopes of support from the Obama Administration, who advised him to make even more concessions to the European leaders. Varoufakis constantly worked within the unwholesome framework of secret diplomacy. Contrary to the image he tries to give of his actions, he made endless concessions throughout, and in a pitiful manner. And the asphyxiation of Greece continued.

*

Note to readers: please click the share buttons below. Forward this article to your email lists. Crosspost on your blog site, internet forums. etc.

Translated by Vicki Briault Manus, Mike Krolkowski and Christine Pagnouille for the [CADTM](#) where this article was originally published.

[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](#).

Notes

[1] Yanis Varoufakis, *Adults in the Room: My Battle With Europe's Deep Establishment* (London: The Bodley Head, 2017), Chapter 11, p. 313.

[2] See (<http://sagiaslawfirm.gr/>) Sagias resumed his role as official adviser to big foreign firms to promote further privatizations. He served the interests of the Emir of Qatar in 2016 who wished to acquire a Greek island, the island of Oxeia in the Zakynthos region, part of a Natura nature protection zone. Sagias was also legal adviser to Cosco in 2016-2017 during a dispute with the workers of the Port of Piraeus, when a form of early retirement (or disguised redundancy) was required for over a hundred workers near retirement age. Source : [Varoufakis Surrounded Himself with Defenders of the Establishment](#)

[3] Y. Varoufakis, op.cit., Chapter 11, p. 316.

[4] The private Italian company Ferrovial bought up the Greek public railways for 45 million euros in June 2016 in a deal brokered by the Minister Stathakis, close to Tsipras, see <https://tvxs.gr/news/ellada/giati-i-trainose-polithike-monon-enanti-45-ekatommyrion-eyro> (in Greek) with the hopes of an operating grant of 250 million euros from the Greek State over the next 5 years

(50 million a year). See also: <http://net.xekinima.org/trainose-to-xroniko-mias-idiotikopoi/> (in Greek).

[5] Y. Varoufakis, op.cit., Chapter 11, p. 321.

[6] Y. Varoufakis, op.cit., Chapter 11, Endnote 8, p. 527.

[7] Y. Varoufakis, op.cit., p. 348 and Endnote 5, Chapter 12, p. 529.

[8] See Obama's words reported by Varoufakis: Y. Varoufakis, op.cit., Chapter 14, p. 376.

[9] Y. Varoufakis, op.cit., Chapter 12, p. 335-336.

[10] The state of necessity is recognized in international law as a situation that allows suspension of debt payments.

[11] Let us remember that one of the five priorities highlighted in Syriza's programme for the June 2012 elections was to set up an international committee in charge of auditing the debt combined with suspension of debt payments until the Committee had concluded its enquiry.

[12] "Regulation (EU) No 472/2013 of the European Parliament and of the Council of 21 May 2013", art. 9
https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv:OJ.L_.2013.140.01.0001.01.ENG&toc=OJ:L:2013:140:TOC

[13] In 2017, the CADTM published and commented on those secret files known thanks to leaks in The Wall Street Journal as soon as 2012: [Secret IMF Documents on Greece commented by Eric Toussaint \(CADTM\)](#)

[14] [History of the CADTM Anti-Debt Policies](#), Chapter on Greece.

[15] Y. Varoufakis, op. cit., Chapter 13, p. 354.

[16] (sic!) Ibidem.

[17] Y. Varoufakis, op. cit., Chapter 13, p. 356.

[18] Y. Varoufakis, op. cit., Chapter 13, p. 358.

[19] Y. Varoufakis, op. cit., Chapter 13, p. 361.

[20] What needs to be known about Mardas is that on 17 January 2015, eight days before Syriza's

election victory, Mardas published a particularly aggressive article against Syriza MP Rachel Makri under the title “Rachel Makri vs. Kim Jong-un and Amin Dada.” The article ended with the very eloquent question (underlined by the author) “Are these the people we want to be governing us?” Ten days later Mardas, thanks to Varoufakis, had become Alternate Finance Minister. Varoufakis explains in his book that after one month as Minister, he realised that he had made the wrong choice. Note that Mardas, who supported the capitulation in July of 2015, was elected as a Syriza MP in September 2015.

[21] Y. Varoufakis, op. cit., Chapter 13, p. 361.

[22] Y. Varoufakis, op. cit., Chapter 13, p. 365.

[23] Y. Varoufakis, op. cit., Chapter 13, p. 366.

[24] Y. Varoufakis, *Adults in the Room*, Chapter 13. p. 371 and Endnote 12, p. 531.

[25] Y. Varoufakis, *Adults in the Room*, Chapter 14, p. 375.

The original source of this article is Global Research
Copyright © [Eric Toussaint](#), Global Research, 2019

[Comment on Global Research Articles on our Facebook page](#)

[Become a Member of Global Research](#)

Articles by: [Eric Toussaint](#)

Disclaimer: The contents of this article are of sole responsibility of the author(s). The Centre for Research on Globalization will not be responsible for any inaccurate or incorrect statement in this article. The Centre of Research on Globalization grants permission to cross-post Global Research articles on community internet sites as long the source and copyright are acknowledged together with a hyperlink to the original Global Research article. For publication of Global Research articles in print or other forms including commercial internet sites, contact: publications@globalresearch.ca

www.globalresearch.ca contains copyrighted material the use of which has not always been specifically authorized by the copyright owner. We are making such material available to our readers under the provisions of "fair use" in an effort to advance a better understanding of political, economic and social issues. The material on this site is distributed without profit to those who have expressed a prior interest in receiving it for research and educational purposes. If you wish to use copyrighted material for purposes other than "fair use" you must request permission from the copyright owner.

For media inquiries: publications@globalresearch.ca