Greece needs international solidarity and debt relief

The Independent Expert on the promotion of a democratic and equitable international order, Alfred de Zayas, deplores the additional “austerity measures” imposed by creditors on Greece, which will aggravate the economic degradation of the population and the general sense of despair. These “austerity measures” appear to replace any vestiges of democratic governance with the rule of foreign financial institutions.

The results of previous “austerity measures” imposed by the troika on Greece have been devastating on the enjoyment of human rights in the country, where unemployment is rampant, healthcare is collapsing and pensions have been cut again and again.

The European countries that are imposing these conditions on the Greek population through the European Central Bank are also States parties to the International Covenant on Economic, Social and Cultural Rights, and bear responsibility for the consequent violations of these rights in Greece. The International Monetary Fund is made up of States that similarly have ratified the Covenant. It also has its own association Agreement with the United Nations, which engenders an obligation to work in conformity with the Purposes and Principles of the United Nations, including the promotion of human rights and development.

Greece is also bound by the International Covenant on Economic, Social and Cultural Rights and must refrain from adopting retrogressive measures in relation to human rights protected by the Covenant.

The Independent Expert encourages all creditor States and financial institutions to revisit their “conditionalities” for past and future loans. Instead of demanding privatization, deregulation and reduction of social services, financial institutions should consider imposing the following human-rights based conditionalities:

1. No loan should be awarded to any country that continues spending for military procurement and other non-essential military activities. For the duration of the crisis and until the loans are paid back, a moratorium should be called on military expenditures. (see the Independent Expert’s 2014 report to the Human Rights Council, A/HRC/27/51)
2. No loan should be awarded until the borrower has effective legislation in place outlawing the use of tax havens and other secrecy jurisdictions by individuals, local and transnational enterprises, and ensuring monitoring of its effective application. Moneys held offshore should be repatriated and subjected to regular taxation. The government must be able to count on advisory services and technical assistance by the IMF and the United Nations in devising a new tax structure that will ensure that all economic activity is fairly taxed and that tax loopholes are closed. Evidently, the creditors have an interest in ensuring that a debtor state should collect all tax revenue to which it is entitled, so as to pay back the loans. (see the 2016 report to the GA, A/71/286)
3. No loan should be awarded unless the borrower rigorously enforces its laws against corruption and money-laundering.
4. No loan should be awarded unless the borrower agrees to impose a financial transactions tax. This would enable borrowing countries to obtain an additional source of revenue which can be used to pay back existing loans.
5. No loan should be awarded until the lender has carried out human rights impact assessments, especially if the loan could lead to retrogression in the provision of health, pension, education or other social services, as per well-established international human rights standards; those groups in society which may be particularly vulnerable to policies and programmes relating to debt, including older persons, women and youth, should not be adversely impacted.
6. No loan should be awarded until both the lender and borrower have conducted transparent and public participatory processes.

In the meantime, a citizens’ commission should examine the source of the existing debts and determine to what extent such debts can be repudiated as “odious debt”. International financial institutions should make their expertise available so as to carry out such an investigation as a matter of urgency.

As underlined by the Special Rapporteur on the effects of foreign debt and other related international financial obligations of States on the full enjoyment of all human rights, particularly economic, social and cultural rights at the end of his mission to Greece in 2015, “debt relief is necessary to trigger socially inclusive growth in Greece”.[[1]](#footnote-1)

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1. http://www.ohchr.org/EN/NewsEvents/Pages/DisplayNews.aspx?NewsID=16844&LangID=E [↑](#footnote-ref-1)