

## Greece – Rescue without Debt

By [Peter Koenig](#)

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*To the great dismay of much of the world, the Greek Parliament approved today – 23 July 2015 – the second or the third (depending who is counting) troika “bail out” of € 86 billion. This would increase the Greek debt according to my counting – mind you there are many different debt theories floating around – to about € 446 billion, or about 210% of GDP.*

It's getting worse by the day. Not one euro of that money would flow into the Greek treasury, to revive its economy, to rebuild the social and medical programs of the country that were totally dismantled and looted by international banksters. In fact, this insane amount of money serves only to restructure Greece's debt according to modalities and a time frame still to be worked out (“negotiated”) between the criminal troika thugs and Greece until about 20 August. The new € 86 billion – like the hundreds of billions before are transferred from the European Central Bank (sic) to too-big-to-fail commercial banks and are being reshuffled between them – all creating monster profits for the banks from usurious interest rates. Even though interest rates are kept secret, they must be hovering in the areas of 5% – 7%, for sheer fiat money created by a mouse-click that costs nothing to anybody. That interest is compounded increasing the debt exponentially.

In fact, the entire Greek debt could also be eclipsed by another mouse-click. And nobody would be hurt. To the contrary – Greece could suddenly breathe again and start afresh revamping her economy and social safety net. It would even help clean up the banksters' dirty balance sheets. Of course, the banks don't care about that. They only care about the insane interest they receive from fiat money. – Maybe that is why the IMF is suddenly advocating debt release for Greece?

Greece could even stay in the EU, putting Washington's concern about NATO on the back-burner – for a while. Though having gone through this horrific experience, there would be not much trust left by Greece in the EU and its institutions. Grexit would still be the preferred solution; starting on a new slate without the eye and mandate of the ECB-watchdog.

As it stands today, at least 30% of Greek citizens are not covered by health care. They cannot afford insurance, nor can they afford to pay out of their pockets for what's left of privatized medical services. Child mortality is sky-rocketing. Nobody talks about it. The mainstream media don't touch the subject.

Adding insult to injury, to sanitize Greece's local banks, the new EU law of “haircuts” may apply as of 1 August, meaning that banks will steal the money from depositors and shareholders to rehabilitate themselves. This goes by the euphemism of ‘bail-in’. Now the poor Greek, who still can only withdraw 60 euros per day (€ 420/week) are confronted with their meager savings being officially stolen. The Greek oligarch have long ago, way before

entering of the Syriza Government, transferred their fortunes abroad, similar to what the Cypriot oligarchs did before the March 2012 “haircut”. – Where and when does this inhuman farce stop?

Greece is the second largest recipient and host (after Italy) of trans-Mediterranean refugees to whom the northern ultra-neoliberal fascist European countries attempt to close their borders. Greece and possibly soon also Italy and Spain, is strangled blue by the fascist embrace endorsed by the mainstay of Europe, the vassals of Washington, the Zionist-run Wall Street and the FED. Yet, Greece has abstained from sending these refugees from war torn countries in Africa and the Middle East back to their miseries. Despite their own misery, a sense of solidarity prevails – a sense of humanity, the rest of the western world has lost.

Mind you and always remember, because nobody will tell you – these wars and conflicts producing the flood of migrants, were and are created and sustained by Washington and its European vassals for control of resources and hegemony – and not least for the maintenance of the hugely profitable global war industrial complex, of which 60% is dominated by the US. The abject and perpetual misery that creates the refugee crisis is the direct product of those who refuse to receive and accommodate them. EU solidarity never existed – but today western greed and egocentricity has eradicated even the shred of notion of what solidarity might be.

Back to today’s Greek parliament vote of deception – it is totally illegal, as well pointed out by [Prof Michel Chossudovsky](http://www.globalresearch.ca/greeces-parliament-cannot-override-the-no-vote-the-agreement-with-the-creditors-is-illegal/5463594), <http://www.globalresearch.ca/greeces-parliament-cannot-override-the-no-vote-the-agreement-with-the-creditors-is-illegal/5463594> .

The Greek Parliament cannot override the people’s decision. That is unconstitutional.

In addition, there is a little known caveat in contract law applicable to international as well as locally concluded agreements.

“Contracts formed under duress, or fraud by one party, or where one party was clearly unequal in bargaining power can be set aside;” says renowned international criminal lawyer and specialist in Human Rights, Christopher Black.

He adds that each side has to give consideration ... for the other to form a contract. In circumstances where one side has gained a disproportionate advantage through deceit or through other illegal means, i.e. bribery, a contract would not be considered valid. These conditions apply to any kind of contracts, such as mineral and hydrocarbon concessions, telecommunications – as well as banking. In other words, the initial ‘bail-outs’ contracted by previous governments with the troika were imposed under proven foul play and therefore would be illegal.

Furthermore, Chris Black says,

“There is also the issue of force majeure. That is when circumstances change beyond the parties control so much that the contract cannot be fulfilled or should not be fulfilled; then the contract is null and void.”

Usually such ‘*force majeure*’ clauses are part of every contract. If they are not in the case of

Greek debt, their omission was deliberate and would not hold up in a court of law.

“In Greece, the argument can be made that the original loans made to [the Government] by the various banks and IMF were obtained under duress, by bribery of government officials (or by *Goldman Sachs ‘cooked’ balance sheets* – observation by the author) are invalid because of fraud; and, ultimately, if circumstances have changed so much that one party simply can’t through no fault of their own, fulfill their part [of the contract]. No court would hold that party bound to that contract.”

Chris Black concludes that a

“court would also have to consider whether the contract was ever valid in the first place; that is – did both sides get real consideration for their part in the bargain....It is clear that the moneys lent did not actually flow into the Greek economy but were nominal loans to the Greek nation, but actually went from one lenders bank to another and back again, so that it was really a scam to steal the wealth of the Greek people.... The Greek could legally argue their way out of all these contracts and loans, but of course behind the contracts sits the German army and behind them the US army – and so it not (so much) a legal matter but a political one. Argentina and Iceland made a political decision and repudiated these contracts. Greece can do the same.”

Is it perhaps for that reason that the IMF has come out lately calling for restructuring the Greek debt or canceling it altogether? – Is it that the IMF is fully aware of these contract clauses of fraudulent debt and ‘force majeure’ and that they – the clauses – would be respected in an international court even if they were not spelled out in the specific loan contracts?

The IMF probably prefers to be the initiator of debt-forgiveness rather than being caught red-handed as debt perpetrator. The IMF has in full memory the Ecuador carrying out an independent debt audit, concluding that two thirds of it has been contracted fraudulently.

Greece has the right to present their case to an international court. Considering the circumstances described above, chances are high that they may stand tall. So, there is hope for a rescue without debt!

*Peter Koenig is an economist and geopolitical analyst. He is also a former World Bank staff and worked extensively around the world in the fields of environment and water resources. He writes regularly for Global Research, ICH, RT, Sputnik News, the Voice of Russia / Ria Novosti, TeleSur, The Vineyard of The Saker Blog, and other internet sites. He is the author of Implosion – An Economic Thriller about War, Environmental Destruction and Corporate Greed – fiction based on facts and on 30 years of World Bank experience around the globe. He is also a co-author of The World Order and Revolution – Essays from the Resistance.*

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