

Greece would have avoided bailout if it were not for tax havens, says former PM George Papandreou

Papandreou told the opening of Socialist International's four-yearly conference that \$21 trillion was hidden in tax havens around the world.

"Whether it is in developed or developing nations, it is our citizens that are being robbed," he said, saying this "plain robbery" denied governments the capacity to invest in areas like welfare and education.

"I know this, Greece is suffering from this. Had this alone been tackled, Greece would have most likely never have needed a bailout.

"Yet Europe, the G8, G20, the banking system despite my pleas as prime minister, despite token reference in our council of G20 decisions, have done nothing to change this."

Greece's finance ministry in February said Greeks had legally moved €16bn (£12.7bn) abroad in the past two years, while efforts to clamp down on tax evasion have met limited success.

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A tax transparency report last month said the world's wealthiest individuals had stashed \$21 trillion worth of assets in offshore tax havens, which was equivalent to the combined GDPs of the US and Japan.

In 2010, Greece under Papandreou became the first eurozone country to get a bailout in exchange for tough austerity measures. He resigned late last year amid mounting discontent over the measures to help stave off bankruptcy.

Speaking in Cape Town, he said as prime minister his "struggle was not one to impose austerity as an end or as a goal, but a difficult necessity in a hostile environment to give time and hope so that Greece make the deep and necessary changes".