

Les nouveaux habits de la BCE, vrai ou faux tournant ?

OFCE | 14.09.2012 à 09h19 • Mis à jour le 14.09.2012 à 09h19

????? Par Jean-Luc Gaffard, OFCE et SKEMA Business School, et Francesco Saraceno, OFCE

Faut-il se réjouir de la décision de la BCE d'acheter sans limite les titres de la dette publique des pays européens trop fortement endettés ? La question peut sembler pour le moins inopportune tant cette décision était attendue et souhaitée par nombre de décideurs, commentateurs et économistes. Le choix effectué par la BCE est un choix politique. Il s'agit bel et bien de préserver l'euro en évitant une envolée des taux d'intérêt qui mettrait définitivement à genoux des pays qui finiraient par n'avoir pas d'autre porte de sortie que quitter la zone euro, entraînant sans doute le naufrage de la monnaie unique. Avec ce choix, la BCE pallie l'absence de véritable pouvoir politique, osons le mot fédéral, en Europe. Est-elle bien dans son rôle ? On ne saurait, en tout cas, le lui reprocher ; la BCE se trouve, de quelque manière, contrainte d'intervenir après presque trois ans d'inaction des gouvernements européens, seulement capables d'enchaîner les sommets de la dernière chance et d'accoucher de solutions dont les effets n'ont duré que quelques semaines sinon quelques jours. Il en a déjà résulté, par simple effet d'annonce, une réduction sensible des écarts de taux d'intérêt, d'ailleurs devenus simplement scandaleux au regard de la réalité de la situation des économies réelles.

Ce qui fait problème, en réalité, c'est la contrepartie de cette facilité monétaire accordée aux pays qui en feraient la demande. Ces pays vont devoir accepter, non seulement, les réformes structurelles jugées nécessaires par la troïka mais aussi une austérité budgétaire renforcée. Or peut-on encore croire que cette austérité permettra de rétablir les comptes publics sous l'effet d'une confiance retrouvée des entreprises et des consommateurs qui décideraient de reprendre le chemin de la croissance en investissant et en consommant ?

Tout se passe en réalité comme si la BCE se substituait, non seulement au politique, mais aussi aux marchés financiers pour exercer la fonction de surveillance et imposer des comportements présumés vertueux.

Cet épisode n'est que le dernier avatar d'une longue histoire débutée dans les années 1980, celle de la construction d'une union économique et monétaire qui s'est faite assez systématiquement, au nom de l'ambition européenne, dans la négligence voulue d'incohérences sur le plan économique. Cette manière de privilégier le politique s'est retournée en son contraire : l'assujettissement des choix politiques à des idées économiques dont le déroulé des événements montre l'extraordinaire fragilité.

Revenons en arrière. Dès 1986 l'acte unique, celui qui porte sur les fonds baptismaux le marché unique, souffre d'être promulgué sans qu'il puisse être question d'harmonisation fiscale et sociale. Les conditions étaient ainsi créées pour que se développe entre les pays européens une concurrence à caractère réglementaire qui ne pouvait que s'exacerber avec l'hétérogénéité accrue de situation et de performance qui suit l'arrivée de nouveaux membres. Une guerre économique était, en quelque sorte, organisée alors que les fondateurs comme ceux qui leur sont venus ensuite voulaient mettre un terme définitif aux conflits armés. C'est alors que survient l'épisode suivant, celui de la création d'une monnaie unique dans le cadre du traité de Maastricht. Il s'agit, ici aussi, d'une volonté avant tout politique des dirigeants allemands et français, celle d'arrimer la nouvelle Allemagne réunifiée à l'Europe. **Le prix de ce choix est connu. La nouvelle Banque centrale devait s'en tenir à maintenir la stabilité des prix dans l'ensemble de la zone et, donc, ne jamais aider au financement d'Etats tentés de devenir impécunieux.** L'espoir était que le statut d'indépendance de la BCE en même temps que l'objectif strict qui lui était assigné, le tout assorti de contraintes fixées sur les déficits budgétaires et les dettes publiques, suffirait à garantir la convergence d'économies qui n'auraient pas ou plus à subir de chocs asymétriques. Cet espoir a été déçu, signalant l'échec du consensus de politique économique dont il était l'expression.

Que pouvait, en effet, provoquer d'autre cette stratégie politique que le ralentissement de la croissance et la persistance d'un chômage élevé dans les grands pays de la zone euro ? Plus grave, encore, que pouvait-on espérer d'autre que des divergences croissantes de performance, d'abord entre grands pays et petits pays, quand ces derniers, du fait de leur taille les rendant moins dépendants de la demande interne, se sont trouvés libres de jouer de la concurrence fiscale et sociale, ensuite entre grands pays et singulièrement entre l'Allemagne et la France ? La raison de divergences croissantes est claire Le ralentissement programmé de la demande globale ne pouvait qu'exacerber la concurrence entre pays. **L'existence d'une monnaie unique, privant les économies de**

tout ajustement par le taux de change, mettait à nu les différences de performances réelles, forcément ancrées dans des institutions, des formes d'organisation et des pratiques qu'il était et reste illusoire de vouloir rapprocher en se bornant à imposer la convergence des politiques budgétaires. La crise financière puis économique globale ne pouvait qu'amplifier ce mouvement et exacerber ce qu'il faut savoir reconnaître comme une guerre économique qui était déjà combattue depuis les années quatre-vingt-dix.

Que viennent faire ici la décision de la BCE et la crise de l'endettement public à laquelle elle répond ? L'une et l'autre s'inscrivent dans cette histoire longue d'un quart de siècle. **Sans doute et même certainement il appartient à la BCE de jouer, enfin, son rôle de prêteur en dernier ressort.** Mais cette action, pour nécessaire qu'elle soit, ne résout en rien le divorce réel croissant entre les économies européennes. Pis, elle reste conditionnée à des mesures que les Etats bénéficiaires doivent prendre qui ne feront qu'accroître les écarts de performance, et peser encore un peu plus négativement sur la croissance de l'ensemble. **???** N'est-il pas remarquable de constater que les conditions imposées aux Etats qui demanderont l'intervention du Fonds de Stabilisation et de la BCE sont, à s'y méprendre, assimilables aux programmes d'ajustement imposés par le FMI aux pays en développement jusqu'au début des années 2000, et aujourd'hui justement décrédibilisés ? L'Europe semble avoir beaucoup de mal à retenir les leçons de l'expérience, la sienne propre comme celle d'autres pays. **???**

Tout cela pour dire qu'il faut être singulièrement optimiste pour se satisfaire de cette annonce de la BCE sans autre forme de procès.

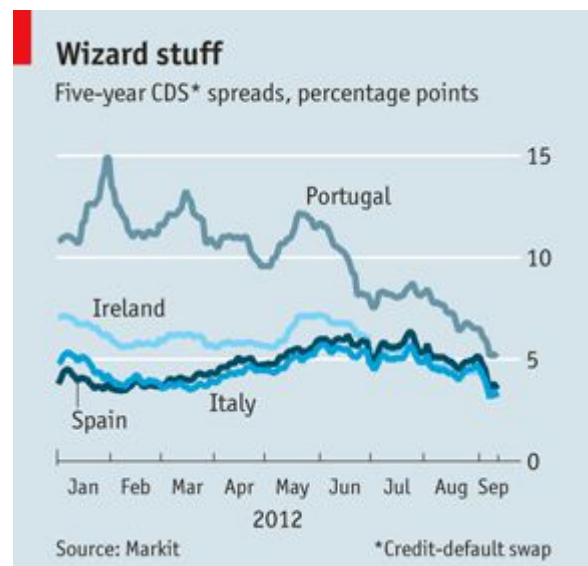
Jean-Luc Gaffard, OFCE et SKEMA Business School, et Francesco Saraceno, OFCE

The ECB's bond-buying plan

Casting a spell

Has Mario Draghi done what it takes to save the euro?

The Economist Sep 15th 2012 | from the print edition



MARIO DRAGHI seems more sorcerer than central banker. Since the boss of the European Central Bank (ECB) said in late July that he would do “whatever it takes” to save the euro, Spanish two-year bond yields have fallen from 7% to 3%. Equity markets have rallied; credit-default-swap spreads have tightened (see chart); and the euro has climbed.

On September 6th Mr Draghi delivered another boost to confidence when he spelt out the details of his plan to buy bonds of struggling countries. There was more good news on September 12th when the German constitutional court sanctioned Germany’s participation in the European Stability Mechanism (ESM), the euro area’s permanent rescue fund, without imposing onerous reservations. For the time being, the euro crisis is in remission.

The hope is that the ECB’s pledge to act will be enough in itself to keep yields low and buy time for peripheral euro-zone economies. Such hopes have been dashed before. The ECB has been buying sovereign bonds since May 2010 through its Securities Markets Programme (SMP), supposedly for monetary purposes but in reality to bring down yields in places like Italy and Spain. Mr Draghi said that the SMP, which has been in abeyance most of this year, was being closed, although that leaves it with a stock of debt worth €209 billion (\$270 billion). In its place comes another catchily named programme: Outright Monetary Transactions (OMT).

In one way, the OMT initiative is more restricted than the SMP, which did not specify maturities. The new purchases will be confined to debt with a residual maturity of up to three years. But there is one crucial difference. The purchases will be unlimited; in bank-speak, there will be no prior “quantitative limits”. The ECB has not specified yield caps but it is determined to bring yields down from levels that reflect fears of a euro-zone break-up. It is this commitment to intervene without limit that has cowed speculators hoping to profit from bond-market distress. Who would bet against a central bank that can conjure money from thin air?

In another difference from the SMP approach, the new bond-buying will happen only for states—which will almost certainly end up including Spain and quite probably Italy—that have secured assistance from the ESM. But in return for such help, which could see the rescue fund buying newly issued debt, governments would have to accept strict conditions on economic and fiscal policy. Only then will the ECB be prepared to act.

Mr Draghi's plan has raised hopes that it may mark the start of the end of the euro crisis. But these hopes may be short-lived. Charles Wyplosz of the Graduate Institute in Geneva applauds the fact that the ECB under Mr Draghi's leadership has accepted its responsibility to act as a lender of last resort to governments, but says that without other measures, such as writing down excessive debt in some countries and ending austerity, the crisis will flare up again.

And the plan could trip up on a number of "implementation risks", points out Moritz Kraemer of Standard & Poor's, a ratings agency. A first hurdle is Spanish politics. If the strategy is to work, Mariano Rajoy, Spain's prime minister, will have to swallow his pride and accept the need for a sovereign as well as a banking bail-out. **Next, there is an inherent inconsistency in the ECB's stance. Would it really pull the rug out from under a country that fails to comply with conditions, given that this would exacerbate its plight and revive fears of euro-zone fragmentation?** The fact that Jens Weidmann, head of the German Bundesbank, opposes bond purchases casts a long shadow over the ECB's plan. And Greece retains its capacity for trouble. Mr Draghi's magic is powerful, but it won't work without help from the politicians.

from the print edition | Finance and economics

Super Mario to the Rescue

OP-ED By [ROGER COHEN](#)

LONDON — Germany's Mannschaft has always been a formidable soccer team. Its chief quality has been a tenacity and tempo capable of overcoming all odds. This is not to say that Germany has failed to produce great footballers — Gerd Müller, Karl-Heinz Rummenigge and Franz Beckenbauer come to mind. It is merely to say collective power has trumped individual prowess.

But against one team Germany always breaks down as if caught in a web. It pushes, it presses, it pounds — and it flounders. That team is Italy, whose 2-1 victory over the favored German side in this year's European Championship extended a long run of major-tournament domination over Germany. Italian malleability and artistry are too much for German diktat.

All of this comes to mind as I watch Super Mario undo Germany with a series of feints that have left hardline Bundesbank bruisers looking as nimble and effective as beached whales. (With a battle cry of "You will not short me!" Super Mario has also gone mano-a-mano with the hedgies betting against the euro, but that is another story.)

Little by little, Mario Draghi, the Italian president of the European Central Bank, has taken an institution whose overriding mission was to keep inflation in check — the obsession that built the Deutsche Mark — and turned it into a lender of last resort prepared to throw everything into buying the distressed euro-zone sovereign debt of countries like Spain and Italy and so preserve the euro. "Whatever it takes," Draghi says. He means it.

Many Germans are not happy, convinced an inflationary southern rot is setting in, but Draghi is right. Europe is irreversible; for that, at this point, the euro must be, too. The preamble to the U.S. Constitution speaks of "a more perfect union." The founding European treaties speak of "ever closer union." For neither has the road to union been devoid of battles between north and south. But the cause has been worth the fight on both sides of the Atlantic: There simply is no greater one. For Europe the approaching centennial of the outbreak of World War I should be sufficient reminder of that.

But people have short memories. They think the euro is a dispensable experiment, a technical construct or a hedgie's plaything, when it is the solemn gage of German commitment to a united Europe — a project that, like most great undertakings, comes at a price.

For both Germany and Italy, the European Union was a way out of post-war devastation and shame. For Italy, in addition, it was a way "to scale the Alps," to tie itself to the more developed parts of Europe and resist the chaotic tug of its southern half. Now a united Germany views Europe more as actuary than supplicant. In Italy, by contrast, a certain European idealism endures. One way to view Draghi's battle with Jens Weidmann and the Bundesbank is this: A big idea (Europe) versus a smaller one (price stability).

But what good is a Europe where the treaty-stipulated role of the central bank is being finessed by Super Mario, where Germany becomes the permanent subsidizer of debtor nations like Spain and Italy, and where depression and unemployment become the enduring lot of poorer countries unable to regain competitiveness through devaluation?

The answer is that this is not a good Europe. The immediate future will be very tough, but it is a lot better than the tumultuous alternative of Europe's unraveling; and in this crisis the seeds of ever greater European integration are being sown. (If the E.C.B. is now the Fed, what must the European Union become?) The euro was a hasty marriage precipitated by the end of the Cold War, the quid pro quo of Germany's anxious neighbors for its unification. This crisis is a belated post-bubble reckoning with the implications of that act.

And so the push is now on toward necessary conditions of a shared currency like fiscal union — Draghi's unlimited purchase of bonds is conditioned on tough fiscal adjustment programs — and a banking union built

around a new euro-zone supervisor. The path to both will be rough. Politicians' interests are at stake. Economies are shrinking. But whatever the howls it is clear enough this far into the euro crisis that "ever closer union" is an obstinate idea that has entered the European consciousness, even if it goes unmentioned.

Certainly, it is present in Chancellor Angela Merkel's mind. She lived under Communism in a Germany divided by the consequences of fascism and so knew the two great scourges of 20th-century Europe. Slowly, cautiously, falteringly she has moved in the right direction and deserves credit.

Draghi the Jesuit has helped her, with his elliptical phrases and very Italian capacity to zigzag to the objective. It is tempting to compare him to Alexander Hamilton at the time of the U.S. assumption crisis. But I prefer to see him as Andrea Pirlo, the Italian midfielder with 360-degree vision, never hurried, always assured, master of the short and the long pass, bane of Germany, a fantasist who hits the target with precision.

You can follow Roger Cohen on Twitter at twitter.com/nytimescohen , and on Facebook at facebook.com/RogerCohenReporter .

Die bedrohliche Macht des Mario Draghi

FAS 09.09.2012 · Der EZB-Präsident hat seine Notenbank mit der Entscheidung für unbegrenzte Anleihenkäufe in eine neue Ära katapultiert. Sie ist nun oberster Euroretter. Und bringt damit unser Geld in Gefahr.

Von [Lisa Nienhaus](#)



© dapd Mario Draghi am Donnerstag nach der EZB-Sitzung: Er ist nun einer der wichtigsten Euro-Retter

Es ist Donnerstagnachmittag wenige Minuten nach halb drei, als Mario Draghi die Fotografen ein klein wenig zu eindrücklich ermahnt, jetzt bitte nicht mehr zu klicken. Dann setzt er zu einer Rede an, die die bislang wichtigste seines Lebens. Es ist eine Rede, die eine Zeitenwende markiert für die Institution, die Draghi seit zehn Monaten und fünf Tagen führt: die Europäische Zentralbank. Eine Rede, die in die Geschichtsbücher eingehen könnte.

Draghi beginnt mit den gleichen Worten, die er jedes Mal in der monatlichen EZB-Pressekonferenz wählt, die schon sein Vorgänger jeden Monat gewählt hat - und braucht doch nur zwei Minuten, um zu verkünden, was ihn bald unterscheidet: Die Europäische Notenbank hat beschlossen, Staatsanleihen von kriselnden Eurostaaten zu kaufen. Der entscheidende Passus folgt in Minute 16. „No ex ante quantitative limits are set on the size“ lautet er. Es gibt keine Grenzen für das Ausmaß dieser Anleihenkäufe. Die EZB entscheidet frei, wie viel Unterstützung ein Land braucht.

Der Euro-Retter

Das ist der entscheidende Passus, der die EZB in eine neue Zeit katapultiert. Denn bisher hat die Notenbank nur dosiert in den Markt für Staatsanleihen eingegriffen. Und das ist die Zauberformel, die die Börsen zum Jubel bringt und die hohen Zinsen, die Spanien und Italien zuletzt auf ihre Anleihen zahlen mussten, fallen lässt. Denn Geld zum Anleihenkauf hat die EZB theoretisch unbegrenzt, sie kann es schließlich selbst schöpfen.

Mit dieser Entscheidung zeigt Mario Draghi die Macht der Europäischen Zentralbank und schwingt sich selbst zum obersten Euro-Retter auf. Der Euro-Rettungsfonds mag eine noch so beeindruckende Kapitalausstattung haben: unbegrenzt ist er nicht. Das aber kann die EZB: unbegrenzt eingreifen, wenn es sein muss. „Der Euro ist unumkehrbar“, sagt Mario Draghi an diesem Tag wieder und wieder. Ehrlicher Weise müsste er ergänzen: Weil wir dafür sorgen werden.

Und noch etwas ist neu an diesem Donnerstag. Es sind die Bedingungen, unter denen die Zentralbank Anleihen kaufen wird. Das hilfeschuchende Land muss nämlich unter einem Programm des europäischen Rettungsschirms stehen, damit es mit Unterstützung der Zentralbank rechnen kann. Das ist bisher nicht der Fall. So hat die EZB etwa im Sommer 2011 Anleihen von Spanien und Italien gekauft, ohne dass diese einen offiziellen Antrag auf Rettung gestellt hatten.



Das ist jetzt nicht mehr möglich. Künftig arbeitet die Zentralbank Hand in Hand mit den anderen Eurorettern, stellt mit ihnen gemeinsam Bedingungen, mischt sich noch mehr ein in den politischen Prozess des Rettens - und verabschiedet sich damit von einem Stück ihrer Unabhängigkeit.

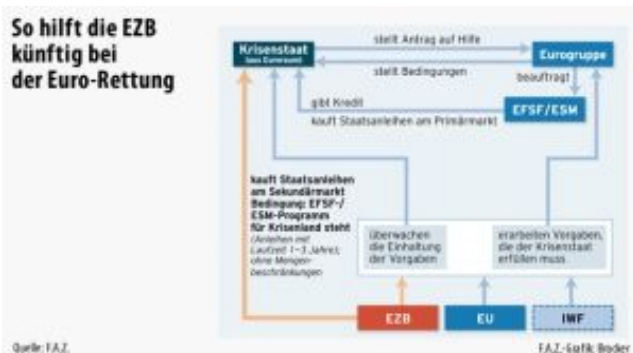
Mit dieser Entscheidung hat sich die EZB in Sachen Eurorettung zu einer Art Nebenregierung gemacht - und ihren Präsidenten zum mächtigsten Politiker Europas neben Angela Merkel. Wenn Spanien und Italien Probleme haben, werden sie sich demnächst automatisch auch an Mario Draghi wenden, werden sie automatisch auch auf seine Hilfe zählen. Es wird für ihn nun viel schwieriger sein, sich nicht an Rettungsaktionen zu beteiligen. Er ist nun Teil des Rettungssystems - ein sehr mächtiger Teil.

Krisenländer werden demnächst seine Bedingungen akzeptieren müssen, wenn sie an Geld kommen wollen. Und dass er Bedingungen stellt, hat er gleich klar gemacht. „Die Politiker im Euroraum müssen vorankommen mit der Konsolidierung ihrer Finanzen, mit Strukturreformen, um Wettbewerbsfähigkeit zu erhöhen und mit dem Bau von Europäischen Institutionen“, mahnte er.

Spielraum weit ausgedehnt

Der EZB-Präsident dehnt damit den Spielraum, den seine Institution hat, so weit wie möglich aus - bis an die Grenze dessen, was ihm gestattet ist, vielleicht sogar darüber hinaus. Denn Artikel 123 des Vertrages über die Arbeitsweise der Europäischen Union verbietet der EZB ausdrücklich, Staatsanleihen von Euro-Ländern zu kaufen. Denn solche Käufe sind nichts anderes als die Finanzierung klammer Staaten mit der Notenpresse, eine gefährliche Sache.

Schon fordern die ersten, die Bundesregierung solle die EZB deshalb vor dem Europäischen Gerichtshof verklagen. Doch erstens ist die Bundesregierung dafür viel zu zufrieden mit der Entscheidung der EZB, weil sie Druck von der Regierung nimmt. Und zweitens beruft sich die EZB darauf, dass sie ja gar nicht direkt von den Staaten kauft, sondern auf dem Sekundärmarkt, also von Banken oder anderen Investoren. Das sei durch Artikel 123 gar nicht verboten. Zudem kaufe sie ja nur Staatsanleihen mit kurzen Laufzeiten von ein bis drei Jahren. Das sei keine Staatsfinanzierung. Oder, wie Draghi es formuliert: „Wir handeln strengstens innerhalb unseres Mandats.“



Für seinen Kurs am Rande des Legalen feiern ihn die Krisenstaaten. Denn Draghi sorgt dafür, dass die Länder im Notfall unbegrenzt günstiges Geld bekommen. Und das auch noch zu weniger strikten Bedingungen als bisher. Denn ein Programm des Euro-Rettungsfonds ist zwar Bedingung für Hilfe. Doch der Rettungsfonds verfügt neuerdings über mehr Instrumente als bloß das harte „economic adjustment programme“, unter dem

Griechenland, Irland und Portugal stehen und das dazu führt, dass ständig die Troika anreist, um detailliert alle Bücher zu prüfen. Es gibt weichere Programme mit laxeren Bedingungen, „precautionary programmes“ genannt. Auch bei einem Teil dieser Programme will die EZB unterstützend eingreifen.

Das könnten genau die Programme sein, für die sich das kriselnde Spanien interessiert. Denn das Land will zwar Hilfe, möchte aber gleichzeitig verhindern, durch ständige Troika-Besuche stigmatisiert zu werden und zu harsche Bedingungen akzeptieren zu müssen. Es hofft, so hört man in EU-Kreisen, dass es nur Anforderungen erfüllen muss, zu denen es sich sowieso schon verpflichtet hat.

Die Länder müssen haften

Die EZB wird in diesem Spiel zwischen Rettungskandidaten und Rettern als mächtigster Geldgeber eine wichtige Rolle innehaben - auch wenn sie als Preis dafür ihre Unabhängigkeit verliert. Der Präsident rechtfertigt diese Zeitenwende mit seinem Kampf gegen „unbegründete Ängste der Investoren vor der Umkehrbarkeit des Euro“. Das klingt beeindruckend. Doch Kritiker glauben, dass Draghi sich gründlich überschätzt. „Die EZB versucht jetzt, alles zu steuern“, sagt etwa der Bonner Geldtheoretiker Manfred Neumann. „Das kann nicht gut gehen.“

Wenn die EZB massiv Anleihen von Krisenstaaten kauft, liegen darin gleich zwei Bedrohungen. Erstens entstehen Ungleichgewichte innerhalb der EZB, die schnell zu offenen Konflikten zwischen den Ländern führen können. Denn die Zentralbank unterstützt einerseits Krisenstaaten, haften müssen dafür am Ende aber alle im Euroraum - am meisten die Deutschen mit 27 Prozent. Kein Wunder, dass die Bundesbank gegen die Anleihekäufe gestimmt hat.

Nicht mehr unabhängig

„Die Inflation kommt nicht gleich“ sagt Geldtheoretiker Neumann. „Aber wenn es der Wirtschaft wieder etwas besser geht, vielleicht in zwei Jahren, dann kommt sie schnell. Und sie kommt zuerst in Ländern, denen es gut geht. Also in Deutschland.“ Die Geldexperten der Gegenseite, unter ihnen Draghi, aber auch der deutsche Wirtschaftsweisen Peter Bofinger sehen das natürlich anders. Sie betonen, dass die EZB die Inflation sehr einfach verhindern könne - indem sie das neu geschaffene Geld an anderer Stelle wieder dem Markt entziehe. Das stimmt zwar, rein technisch gesehen. Doch es ist die Frage, ob Mario Draghi einen solchen Kurs durchhalten kann.

Denn es droht Widerstand, sollte er bei Hinweisen auf steigende Teuerung aufhören, Anleihen zu kaufen und die Zinsen stark hochsetzen. Die Regierungen der klammen Staaten werden jammern und die der Länder mit schlechter Wirtschaftslage und weniger Teuerung ebenso. Dass Draghi sich dem entziehen kann oder auch nur will, ist unwahrscheinlich. Unabhängig ist die EZB, das zeigen die Anleihekäufe, nämlich längst nicht mehr.

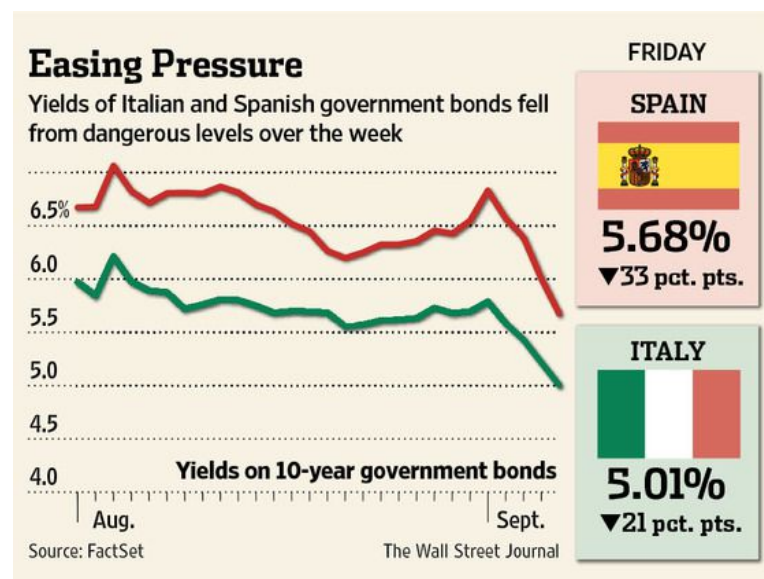
- WSJ EUROPE NEWS
- Updated September 7, 2012, 7:03 p.m. ET

Merkel Bucks German Anger, Backing ECB Bond-Buy Plan

By [MARCUS WALKER](#) and [CHARLES FORELLE](#)

BERLIN—Germany's government threw its support behind European Central Bank President Mario Draghi's plan to intervene in bond markets, countering criticism from German lawmakers, media and the country's central bank.

The ECB is acting "independently and within the framework of its mandate," a spokesman for German Chancellor Angela Merkel told reporters Friday, adding that the ECB's offer to buy bonds of struggling euro-zone governments is aimed at ensuring "the stability of money."



German Finance Minister Wolfgang Schäuble also backed the ECB's move, contradicting the Bundesbank's statement on Thursday that ECB bond-buying is "tantamount to financing governments by printing bank notes."

ECB officials "know very well what they have to do," Mr. Schäuble told reporters in Stockholm. "It's not the beginning of monetary financing of sovereign debt."

Berlin's support for the ECB's course is crucial for Mr. Draghi to press ahead with his plans. Germany is the largest member of the euro zone and its strongest economy. If both Ms. Merkel's government and Germany's central bank opposed the bond-buying plan, it would be all but impossible for Mr. Draghi to proceed.

Financial markets continued to bask in the afterglow of the ECB's announcement that it would intervene without limit in the teetering bond markets of countries such as Spain and Italy if they sign up for economic overhauls. Stock prices around Europe rose Friday. The yields on Italian and Spanish bonds fell, reflecting investors' greater confidence that the two countries will stay solvent. The euro rose sharply against the dollar, helped also by the weaker-than-expected jobs data in the U.S.

Stock markets in Germany, the Netherlands and Belgium rose to their highest levels in a year. The yield on Spanish 10-year bonds fell about one-third of a percentage point Friday, to 5.68%, according to FactSet. Spain's 10-year yield, an important indicator of the country's borrowing costs, had ended August at 6.83%. It had climbed above 7.5% in late July, before Mr. Draghi first signaled that the central bank would intervene to stop the downward spiral in Southern Europe's bond markets.

Italy's 10-year yield fell one-fifth of a percentage point on Friday, to 5.01%, FactSet said.

While markets welcomed the ECB's presentation of its bond-buying plan, Germany's media accused Mr. Draghi of underwriting the profligacy of Southern European governments. Mr. Draghi's promise that the ECB will be an "effective backstop" against the breakdown of euro-zone bond markets is "ludicrously wrong," said Germany's mass-circulation tabloid Bild, calling the move a "blank check for indebted states."

Mr. Draghi's claim that bond-buying is necessary to ensure that ECB monetary policy works is "far-fetched," said leading conservative newspaper Frankfurter Allgemeine Zeitung, stating: "Now there is no longer any border between monetary and fiscal policy in the euro zone."

Some lawmakers in Ms. Merkel's center-right coalition, where opposition to euro-zone bailouts is growing, also attacked Mr. Draghi for breaking with the German orthodoxy that the ECB should focus only on inflation, and that spiraling borrowing costs are a useful source of pressure on Spain and Italy to reform their finances.

But the German government's comments showed that Ms. Merkel and Mr. Schäuble are more comfortable with the ECB's strategy. That is likely to give Mr. Draghi confidence that he has enough political cover from Germany to proceed with his ambitious and risky bond-market intervention.

The chancellor and her finance minister have maintained a careful balancing act in recent weeks, signaling that they aren't opposed to Mr. Draghi's course, while also expressing solidarity for Bundesbank President Jens Weidmann, a former aide to Ms. Merkel, whose rejection of bond-buying has left him isolated on the ECB's governing council.

ECB measures have lifted euro-zone bond markets before, only to see the effect later fade. The central bank's decision in late 2011 to flood the euro-zone banking system with cheap three-year loans brought a calm to financial markets that lasted only through this year's first quarter.

Whether the latest ECB initiative achieves a more lasting effect depends partly on Southern European politicians. To obtain ECB aid, Spain must take the politically humbling step of asking for help from Europe's bailout fund and submitting to outside oversight—including, Mr. Draghi strongly suggested, from the International Monetary Fund.

Above all, the ECB and Spain must convince international investors that it is safe for them to buy large amounts of Spanish government debt again. Spain must repay about €20 billion (\$25.3 billion) of bonds in late October, and needs more funds to cover its budget shortfall.

Spain progressively reduced the amount of money it raises in bond auctions as the crisis intensified in recent months. Its next debt auction, scheduled for Sept. 20, will be the first test of whether the ECB's move is a turning point in the crisis.

—Charles Duxbury contributed to this article.

Write to Marcus Walker at marcus.walker@wsj.com and Charles Forelle at charles.forelle@wsj.com

Der politische Zins

FAZ 08.09.2012 · EZB-Präsident Draghi will unbegrenzt Anleihen von kriselnden Eurostaaten kaufen. Vieles spricht dafür, dass sich damit die Zinsen etwas angleichen lassen. Der Preis aber ist hoch.

Von [Christian Siedenbiedel](#)

Unbegründete Ängste, „unfounded fears“ sollen die Zinsen in die Höhe getrieben haben, die Länder wie Italien oder Spanien für ihre Schulden zahlen müssen: Das ist die zentrale Begründung, mit der EZB-Präsident Mario Draghi am Donnerstag das neue Programm der Notenbank zum Ankauf südeuropäischer Staatsanleihen gerechtfertigt hat. Wie stichhaltig ist das?

Vom „schlechten“ und „guten“ Gleichgewicht

Die Argumentation geht wie folgt: Weil Anleger an den internationalen Kapitalmärkten befürchten, dass der Euro zerbricht und die Länder Südeuropas ihre (in Euro notierten) Schulden nach einem Euro-Austritt nicht mehr zurückzahlen können, verlangen sie von diesen Ländern höhere Zinsen, als das normalerweise der Fall wäre. Diese hohen Zinsen aber bringen die Südländer in einen Teufelskreis - weil sie den Haushalt der Staaten zusätzlich belasten und die Verschuldung erhöhen, was wiederum zu noch höheren Zinsen führt.

Folgt man dieser Argumentation, dann gibt es einen einfachen Ausweg: Wenn die Notenbank so viel Geld druckt und so viele südeuropäische Staatsanleihen aufkauft, dass niemand im Entferntesten daran zweifeln kann, dass alle südeuropäischen Länder auf alle Zeit im Euro bleiben - dann entfallen die „unbegründeten Ängste“. Die Zinsen für die Staaten Südeuropas sinken. Und der Grund, dessentwegen der Euro hätte zerfallen können, verschwindet wie von selbst. Man kommt von einem „schlechten Gleichgewicht“ zu einem „guten“, wie es Draghi formuliert.

Früher waren 7 Prozent Zinsen kein Problem

Hat er recht? Sind die hohen Zinsen, die Länder wie Italien oder Spanien zu zahlen haben, im Kern eine Folge der Zweifel am Euro? Und lässt sich das Problem beseitigen, indem man die Zweifel am Euro ausräumt?

Dazu muss man einen Blick darauf werfen, wie es zum Anstieg der Zinsen kam. Und berücksichtigen, welche Funktion der Zins als Preis für die Staatsverschuldung hat.

Vor der Einführung des Euro zahlten etwa Italien und Deutschland durchaus unterschiedliche Zinsen. Selbst mehr als sieben Prozent (heute angeblich der „Todeszins“) galten nicht als Problem: Schließlich konnte Italien notfalls unbegrenzt Lire drucken. Trotzdem wirkten hohe Zinsen wie eine kleine Strafe für unsolide Haushaltspolitik - der Spielraum für politische Wohltaten schrumpfte.

Die Anleger differenzieren

Mit dem Euro verloren die einzelnen Länder die Macht über die Notenpresse. Dennoch tauchte das Problem stark steigender Zinsen in Südeuropa zunächst nicht auf. Vor allem wohl, weil sich niemand ernsthaft die Pleite eines Eurolandes vorstellen konnte.

Dann kam die Finanzkrise und ein neuer Blick auf private wie öffentliche Schulden: Als große Banken vom Staat gerettet werden mussten, erschien es auf einmal nicht mehr ausgeschlossen, dass es auch Staaten erwischt. Schließlich hatten sie - vor allem in ihrer Funktion als Sozialstaaten - gewaltige Schulden angehäuft. Dazu kamen - in einigen Ländern - die Kosten der Bankenrettung.

In den ersten Euroländern, allen voran Griechenland, stiegen die Zinsen. Und zwar als Folge der Staatsschuldenkrise, nicht als deren Ursache. Mit den teuren Rettungsprogrammen kam die Diskussion über den Euro auf. Immer mehr Südländer mussten höhere Zinsen zahlen. Aber völlig zu unrecht? Ihre mangelnde Wettbewerbsfähigkeit rief Zweifel hervor, wie sie sich ohne die Möglichkeit, ihre Währung abzuwerten, aus dem Schuldendesaster befreien wollten. Anleger differenzierten dabei sehr wohl: Man denke nur an Deutschland, das immer weniger zahlen musste.

Vieles spricht dafür, dass sich die Zinsen durch die Anleihenkäufe etwas angleichen lassen. Der Preis aber ist hoch: Nicht nur, dass Inflation droht. Die disziplinierende Funktion des Zinses selbst wird ausgehebelt: Staaten werden nicht mehr zum Sparen gezwungen, wenn ihre Kreditwürdigkeit sinkt. Das ist fatal.

Quelle: F.A.S.

Le plan de sauvetage de la BCE déchire les Allemands

Le Figaro Par [Patrick Saint-Paul](#) Mis à jour le 07/09/2012 à 19:48 | publié le 07/09/2012 à 19:42 [Réactions](#) (42)



Les médias allemands jugent que le programme de rachat de dettes des pays en difficulté par la BCE est le signe de la fin de l'orthodoxie monétaire allemande dans la zone euro. Crédits photo : RALPH ORLOWSKI/Getty Images/AFP

Le plan Draghi pour sauver la zone euro est vécu outre-Rhin comme la fin du règne de la Bundesbank.

[Angela Merkel](#) a beau soutenir du bout des lèvres le plan anticrise du président de la Banque centrale européenne (BCE), [Mario Draghi](#), l'[Allemagne](#) peine à digérer la potion amère. La quasi-totalité des médias allemands jugent que [le programme de rachat de dettes](#) des pays en difficulté est une défaite de la [Bundesbank](#) signant la fin de l'orthodoxie monétaire allemande dans la zone euro. Cela ne manquera pas d'alimenter le sentiment grandissant d'eurotiédeur outre-Rhin.

«Les Allemands ne croient pas tous en Dieu, mais tous croient en la Bundesbank!» plaisantait Jacques Delors. Or le plan Draghi est largement présenté comme un cinglant revers pour la banque centrale allemande. Évoquant un «jeudi noir», le quotidien de centre droit *Die Welt* va jusqu'à déplorer que «les marchés financiers célèbrent la mort de la Bundesbank». Tandis que le quotidien populaire Bild dénonce le «chèque en blanc pour les États surendettés». 50 % des Allemands sont hostiles aux rachats d'obligation par la BCE et seulement 13 % y sont favorables, selon un sondage de l'institut Infratest dimap, publié vendredi.

«Une presse très nerveuse»

Fait aggravant, le président de la Bundesbank, [Jens Weidmann](#), représentant de la Buba à la BCE, a bruyamment exprimé son opposition. Dans un communiqué, la Buba dénonce un financement des dettes d'État avec la planche à billets européenne et les risques d'inflation galopante. Mais aussi les risques portés par les contribuables de la zone euro, et notamment allemands, sans l'aval des parlements ou gouvernements nationaux. Weidmann, dont la popularité a explosé outre-Rhin après qu'il a menacé de démissionner pour ne pas cautionner les rachats illimités de dettes souveraines, juge aussi que les incitations aux pays en difficulté à mener des réformes structurelles se sont envolées avec l'arrivée programmée de taux plus favorables.

La chancelière allemande a pourtant soutenu implicitement le programme de la BCE. Son porte-parole a souligné vendredi que la BCE «intervient de manière indépendante et dans le cadre de son mandat», comme l'avait déjà dit Angela Merkel la veille à Madrid. Depuis Stockholm, son ministre des Finances, [Wolfgang Schäuble](#), a assuré que ce n'était «pas le début d'un financement monétaire de la dette publique» avant de critiquer la presse allemande «très nerveuse» sur ce sujet, selon lui. Selon le quotidien des affaires Handelsblatt, «une interprétation serait que la chancelière n'est pas favorable (à cette mesure), mais qu'elle n'est plus en position de s'opposer à la cohorte des supporteurs du modèle Draghi».

Espoirs reportés sur Karlsruhe

Plusieurs experts, cités notamment par le *Financial Times Deutschland*, soulignent qu'en réalité Berlin a obtenu gain de cause sur un point essentiel: le droit de veto. Le rachat de dettes souveraines étant conditionné à une

demande officielle des États au Fonds européen de stabilité financière ([FESF](#)), le feu vert du Bundestag restera indispensable pour débloquer l'aide.

En attendant, les adversaires de la BCE reportent tous leurs espoirs sur la Cour constitutionnelle de Karlsruhe, qui rendra mercredi une décision capitale sur le mécanisme de sauvetage de la monnaie unique ([MES](#)). Selon un sondage YouGov, 54 % des Allemands espèrent que les juges barreront la route au MES.

The ECB's plan

Teutonically unlimited

The Economist Blog Free Exchange Sep 7th 2012, 13:07 by C.O. | BERLIN

In my [recent post](#) on the EEA conference in Malaga, I described the risks that the ECB will take on when engaging in unlimited bond purchases (aka "OMT"). Those risks, unsurprisingly, dominate the discussion in Germany. After the ECB's presentation, the reactions in Germany's two biggest dailies, FAZ and SZ, and in the main evening news on TV, the Tagesschau, are very critical.

Holger Steltzner, economics editor of the FAZ, [argues](#) that the ECB may demand conditionality, but that it has failed before, and an exit from the programme after the ECB has bought bonds is not a credible threat. What is more, the ECB's decision neatly circumvents the Bundestag and the inconvenient question of Germany's liability. He sees the distinction between monetary and fiscal policy evaporate, much like Jens Weidmann, head of the Bundesbank, [said yesterday](#) after the press conference. The argument that the new ECB programme serves monetary policy making, is a nothing more than a fig leaf to Mr Steltzner.

[According to Marc Beise](#), economics editor of the SZ, the ECB rewards mismanagement and helps unsound governments with the printing press. In the end, "bubbles, crises, and inflation" lurk. Moreover, the ECB breaches the law. To him, it is unacceptable that an undemocratic institution like the ECB determines policy in Europe. [Markus Gürne of the Tagesschau](#), was slightly less critical, but also concerned about credit risk for the ECB and the fact that liability is transferred to the German taxpayers through the back door without consulting them.

Those in favour of the programme usually argue that first, the monetary transmission really is broken, and second, that the periphery's bond markets suffer from a situation of multiple equilibria, also known (but imprecisely characterised) as „panic yields". That is, countries face a situation in which high interest rates will make the debt burden unsustainable, but in which the debt would be manageable with low(ish) rates. Markets therefore have two „fair" prices for debt of this country, not just one as is often implicitly assumed in Germany: one low and one high, which both can justify themselves as fair in retrospect.

Is there a way to reconcile these views with German fears? In my view, there is: by using the forward-looking nature of markets and making the OMT more explicitly than the ECB has done a matter of the future, conditional on the *implementation*, not just the promise, of an agreed reform programme until then.

What would be the effect? Markets know that the ECB will buy all bonds of this country at a relatively high price in, say, five years if the country follows the reform programme. The reforms will (hopefully) make sure that the situation really is one of multiple equilibria. With such a scheme in place, market rates will drop to a level close to that implicitly promised by the ECB. What's more, market rates will vary according to the reform efforts of the country, and put pressure on governments that do not reform sufficiently – exactly what is needed, in Germany's view. However, the risk is considerably lower, as the ECB does not have to buy any bonds just yet, only once the reforms are fully implemented.

Of course, the ECB might still end up with all the debt: in the case in which the reforms plus low rates are not enough to bring the country to solvency. Greece is a case in point. Some may argue that this is impossible in the PIIGS minus G (PIIS?), but I am not so sure. The focus on austerity in the reform programmes so far is harmful, and is likely to make the debt problem worse. The offsetting effect, that markets regain confidence in the country's bonds, may be enough, but that is not certain. Still, the credit risk for the ECB is much lower than with other bond buying proposals, in my view.

Will it be enough to solve the multiple equilibria problem? Probably. Self-fulfilling defaults can only occur under this scheme if countries do not follow the reform programmes. If they do, markets can be sure that they can sell their bond holdings to the ECB. The only self-fulfilling problem left today is if markets believe that in a number of countries the reforms themselves will economically fail, and that the programme has to be abandoned because the credit risk for the ECB is too high.

This is where Germany comes in. The current ECB proposal entails a sizeable credit risk for the ECB if it starts buying bonds any time soon. What is more, front-loading conditionality may turn out to be difficult. Italy, for instance, has still only fulfilled one of the seven Trichet-Draghi-conditions of the ECB for buying its bonds in 2011, according to a report in the FAZ. But since Germany cannot stop the ECB, it would be better for Germany to support a scheme like the one laid out above, and to throw its full political weight behind it. Such a programme, with Germany's weight behind it, will avoid self-fulfilling dynamics and force countries to reform at the same time.

Germany will never do that, you say? You are right, enough *Wolkenkuckucksheim* for today.

Introductory statement to the press conference (with Q&A)

Mario Draghi, President of the ECB, Vitor Constâncio, Vice-President of the ECB, Frankfurt am Main, 6 September 2012

Ladies and gentlemen, the Vice-President and I are very pleased to welcome you to our press conference. We will now report on the outcome of today's meeting of the Governing Council, which was also attended by the President of the Eurogroup, Prime Minister Juncker, and by the Commission Vice-President, Mr Rehn.

Based on our regular economic and monetary analyses, we decided to keep the **key ECB interest rates** unchanged. Owing to high energy prices and increases in indirect taxes in some euro area countries, inflation rates are expected to remain above 2% throughout 2012, to fall below that level again in the course of next year and to remain in line with price stability over the policy-relevant horizon. Consistent with this picture, the underlying pace of monetary expansion remains subdued. Inflation expectations for the euro area economy continue to be firmly anchored in line with our aim of maintaining inflation rates below, but close to, 2% over the medium term. Economic growth in the euro area is expected to remain weak, with the ongoing tensions in financial markets and heightened uncertainty weighing on confidence and sentiment. A renewed intensification of financial market tensions would have the potential to affect the balance of risks for both growth and inflation.

It is against this background that the Governing Council today decided on the modalities for undertaking Outright Monetary Transactions (OMTs) in secondary markets for sovereign bonds in the euro area. As we said a month ago, we need to be in the position to safeguard the monetary policy transmission mechanism in all countries of the euro area. We aim to preserve the singleness of our monetary policy and to ensure the proper transmission of our policy stance to the real economy throughout the area. OMTs will enable us to address severe distortions in government bond markets which originate from, in particular, unfounded fears on the part of investors of the reversibility of the euro. Hence, under appropriate conditions, we will have a fully effective backstop to avoid destructive scenarios with potentially severe challenges for price stability in the euro area. Let me repeat what I said last month: we act strictly within our mandate to maintain price stability over the medium term; we act independently in determining monetary policy; and the euro is irreversible.

In order to restore confidence, policy-makers in the euro area need to push ahead with great determination with fiscal consolidation, structural reforms to enhance competitiveness and European institution-building. At the same time, governments must stand ready to activate the EFSF/ESM in the bond market when exceptional financial market circumstances and risks to financial stability exist – with strict and effective conditionality in line with the established guidelines. The adherence of governments to their commitments and the fulfilment by the EFSF/ESM of their role are necessary conditions for our outright transactions to be conducted and to be effective. Details of the Outright Monetary Transactions are described in a separate press release.

Furthermore, the Governing Council took decisions with a view to ensuring the availability of adequate collateral in Eurosystem refinancing operations. The details of these measures are also elaborated in a separate press release.

Let me now explain our assessment in greater detail, starting with the **economic analysis**. Recently published statistics indicate that euro area real GDP contracted by 0.2%, quarter on quarter, in the second quarter of 2012, following zero growth in the previous quarter. Economic indicators point to continued weak economic activity in the remainder of 2012, in an environment of heightened uncertainty. Looking beyond the short term, we expect the euro area economy to recover only very gradually. The growth momentum is expected to remain dampened by the necessary process of balance sheet adjustment in the financial and non-financial sectors, the existence of high unemployment and an uneven global recovery.

The September 2012 ECB staff macroeconomic projections for the euro area foresee annual real GDP growth in a range between -0.6% and -0.2% for 2012 and between -0.4% and 1.4% for 2013. Compared with the June 2012 Eurosystem staff macroeconomic projections, the ranges for 2012 and 2013 have been revised downwards.

The risks surrounding the economic outlook for the euro area are assessed to be on the downside. They relate, in particular, to the tensions in several euro area financial markets and their potential spillover to the euro area real economy. These risks should be contained by effective action by all euro area policy-makers.

Euro area annual HICP inflation was 2.6% in August 2012, according to Eurostat's flash estimate, compared with 2.4% in the previous month. This increase is mainly due to renewed increases in euro-denominated energy prices. On the basis of current futures prices for oil, inflation rates could turn out somewhat higher than expected a few months ago, but they should decline to below 2% again in the course of next year. Over the policy-relevant horizon, in an environment of modest growth in the euro area and well-anchored long-term inflation expectations, underlying price pressures should remain moderate.

The September 2012 ECB staff macroeconomic projections for the euro area foresee annual HICP inflation in a range between 2.4% and 2.6% for 2012 and between 1.3% and 2.5% for 2013. These projection ranges are somewhat higher than those contained in the June 2012 Eurosystem staff macroeconomic projections.

Risks to the outlook for price developments continue to be broadly balanced over the medium term. Upside risks pertain to further increases in indirect taxes owing to the need for fiscal consolidation. The main downside risks relate to the impact of weaker than expected growth in the euro area, particularly resulting from a further intensification of financial market tensions, and its effects on the domestic components of inflation. If not contained by effective action by all euro area policy-makers, such intensification has the potential to affect the balance of risks on the downside.

Turning to the **monetary analysis**, the underlying pace of monetary expansion remained subdued. The annual growth rate of M3 increased to 3.8% in July 2012, up from 3.2% in June. The rise in M3 growth was mainly attributable to a higher preference for liquidity, as reflected in the further increase in the annual growth rate of the narrow monetary aggregate M1 to 4.5% in July, from 3.5% in June.

The annual growth rate of loans to the private sector (adjusted for loan sales and securitisation) remained weak at 0.5% in July (after 0.3% in June). Annual growth in MFI loans to both non-financial corporations and households remained subdued, at -0.2% and 1.1% respectively (both adjusted for loan sales and securitisation). To a large extent, subdued loan growth reflects a weak outlook for GDP, heightened risk aversion and the ongoing adjustment in the balance sheets of households and enterprises, all of which weigh on credit demand. Furthermore, in a number of euro area countries, the segmentation of financial markets and capital constraints for banks continue to weigh on credit supply.

Looking ahead, it is essential for banks to continue to strengthen their resilience where this is needed. The soundness of banks' balance sheets will be a key factor in facilitating both an appropriate provision of credit to the economy and the normalisation of all funding channels.

To sum up, the economic analysis indicates that price developments should remain in line with price stability over the medium term. A **cross-check** with the signals from the monetary analysis confirms this picture.

Although good progress is being made, the need for structural and fiscal adjustment remains significant in many European countries. On the **structural side**, further swift and decisive product and labour market reforms are required across the euro area to improve competitiveness, increase adjustment capacities and achieve higher sustainable growth rates. These structural reforms will also complement and support fiscal consolidation and debt sustainability. On the **fiscal front**, it is crucial that governments undertake all measures necessary to achieve their targets for the current and coming years. In this respect, the expected rapid implementation of the fiscal compact should be a main element to help strengthen confidence in the soundness of public finances. Finally, pushing ahead with European institution-building with great determination is essential.

We are now at your disposal for questions.

* * *

Question: My question regards the vote today. Was it unanimous and, if not, what does it mean? Thank you.

Draghi: Well, it was not unanimous. There was one dissenting view. We do not disclose the details of our work. It is up to you to guess.

Question: *Mr Draghi, you repeated that the euro is irreversible. What gives you the democratic legitimisation, the authority to say that? Because I have looked it up in the Treaty. It does not say anywhere that it is the role of the ECB to decide what kind of currency the European countries have. Thank you.*

Draghi: What I said exactly is that – and I repeat what I said in London the first time – we will do whatever it takes within our mandate – within our mandate – to have a single monetary policy in the euro area, to maintain price stability in the euro area and to preserve the euro. And we say that the euro is irreversible. So unfounded fears of reversibility are just what they are: unfounded fears. And we think this falls squarely within our mandate.

Question: *The FAZ warned the other day about what they have called – pardon me – the “liraisation” of the euro, moving away from a Deutschmark culture to a lira culture. The FDP wants to protest the decisions you have taken today, because they say they are in breach of Article 123 of the EU Treaty of financing governments. Can you explain to us why they are wrong?*

Draghi: As far as the “liraisation” or whatever goes, I think that the voting today speaks for itself. It shows that it is not only the decision of former lira members or others, it is basically the almost unanimous decision of the Governing Council. So, first of all, I would not identify with this caricature of it being a southern cabal or an Italian thing. No, it is not. It is the Governing Council that, in its almost unanimous decision, has taken this measure. Second, no, we are sure that we are acting within our mandate, that we are not violating Article 123. It is pretty explicit: it says for purchases on the primary market, this is a violation, not for purchases on the secondary market as I have stated this programme will work. And incidentally, outright purchases of bonds are identified, in Article 18 of the Statute of the ECB, as one of the various possible tools that our monetary policy has and can use. So we are not creating anything new here.

Question: *Mr Draghi, how can you be sure the fact that the monetary impulse of the ECB seems not to be reaching a big part of the euro area is really a problem of “monetary transmission” and not maybe a problem of “liquidity trap”?*

Draghi: We have substantial, significant and important evidence that the European monetary area is now fragmented. We see this from a variety of indicators: not only the level of yields, the yield spreads, but also volatility, and especially liquidity conditions in many parts of the euro area. So, the actions we decided on today are geared to repairing monetary policy transmission channels in a way that our standard monetary policy can address its primary objective, i.e. maintaining price stability. In other words, these decisions are necessary to restore our capacity to pursue the objective of price stability in the euro area and to restore the singleness of monetary policy in the euro area.

Question: *Mr Draghi, on the maturity of the assets that you would intend to purchase under the OMTs you said between one and three years. Could you explain: does this involve bonds that have a residual maturity of that amount of time, i.e. a ten-year bond that has two or three years left to run as well as ones whose face maturity is that time? And my second question is about the conditionally aspect: you mentioned that the OMTs would be suspended if countries did not fulfil the necessary conditions set out in the MoU. Given that these purchases are explicitly for monetary policy purposes, does this mean that you will suspend the ECB’s independence if the countries do not fulfil the conditions? I don’t quite understand this contradiction; maybe you could elaborate on that for me?*

Draghi: On the first question, the “three years” is to be understood in the way you mentioned. And it is three years because it seemed to us the maximum most effective maturity to target: it is close to our short-term policy rates; it affects also the medium-term yield curve; it is close to the rates that are being used to lend to the private sector; it is, in a certain sense, similar to the maturity we used for the LTROs; and also, in a very indirect way, it decreases concerns about our seniority over the bond holdings. So, there are many good reasons for choosing the “three years”.

On “conditionality”, the assessment of the Governing Council is that we are in a situation now where you have large parts of the euro area in what we call a “bad equilibrium”, namely an equilibrium where you may have self-fulfilling expectations that feed upon themselves and generate very adverse scenarios. So, there is a case for intervening, in a sense, to “break” these expectations, which, by the way, do not concern only the specific countries, but the euro area as a whole. And this would justify the intervention of the central bank. But then, we should not forget why countries have found themselves in a bad equilibrium to start with. And this is because of policy mistakes. That is why we need both legs to fix this situation and move from a bad equilibrium to a good equilibrium. If the central bank were to intervene without any actions on the part of governments, without any conditionality, the intervention would not be effective and the Bank would lose its independence. At the same time, we see that we are in a bad equilibrium and, therefore, policy action, though convincing, does not seem to produce – at least not in the relatively medium term – the results for which it is geared. So that is why we need both legs for this action.

Question: *I also have a question on the conditionality. In your statement, you say that “the involvement of the IMF shall be sought”. Does that mean that the involvement of the IMF is a firm condition or is it just the preferred scenario? My second question is: am I right in understanding that you will retain your senior status for bonds bought under the Securities Markets Programme (SMP) and for all other bonds held by the Eurosystem? And finally, did you discuss a change in interest rates at your meeting today?*

Draghi: The involvement of the IMF is sought for the design of the policy conditionality, but we cannot dictate what it should do. It is an independent institution, but if the Board of the IMF, its management and its Managing Director want to participate in the programme, they would be more than welcome. This is definitely the preferred scenario. However, because I can read the question on your mind – is this a condition sine qua non? – it is important to explain how the ECB is retaining its independence in all this. We have provided governments with a broad framework for conditionality, but it is very much up to the governments themselves, the European Union, the European Commission and the IMF to decide on the precise nature of this conditionality. It is important that the Governing Council retains full discretion and full independence when deciding on issues relating to monetary policy. What we have put in place today is an effective backstop to remove tail risks from the euro area, and the ECB will retain its independence throughout. With regard to seniority, the statement on outright monetary purchases does not apply to the SMP holdings.

Finally, yes, we discussed interest rates today, but it was decided that it was not the right time to make a change. The reason for this is, in a sense, given in the introductory statement. When we last decided to reduce rates, we had anticipated this weakening in the business cycle.

Question: *Mr Draghi, will the purchases be unlimited in amount and time? And my second question is: Spain is facing a huge refinancing hump at the end of October. Will the ECB’s new programme be up and running in time for this?*

Draghi: Well, on the first question, there are no ex-ante limits on the amount of Outright Monetary Transactions. And the size – as I think it said in the first press release or the introductory statement – is going to be adequate to meet our objectives. As regards Spain, we have designed a *parcours*, a path, and it is now in the hands of the government and the Eurogroup – in the hands of the government of Spain and the governments of the euro area.

Question: *Mr Draghi, do you foresee the ECB possibly buying Spanish bank debt in the near future, and maybe even corporate debt?*

Draghi: Frankly, we have just taken a very important decision with a view to tackling the crisis. As I have said, this is a fully effective backstop removing tail risk for Europe, and I would not want to speculate on other measures for the time being at least.

Question: *I have two questions, Mr Draghi. First of all, was there any discussion in today’s meeting regarding any other liquidity programmes, like an LTRO? And my second question is: All global markets were waiting for this today. Even the Turkish central bank was waiting for it. Does this put pressure on you when deciding things?*

Draghi: No, there was no discussion on LTROs. And we are obviously all under pressure. It is not just me; the whole of the Governing Council has taken very important decisions today – also for the ECB as an institution – so we are fully aware of that.

Question: *Mr Draghi, I think I am right in saying that in the statement, you are explicitly not providing any kind of level at which you think a bond yield of a country that applies for this is excessive. In fact, the language seems to basically say “you will know when it is there and then you will do it and you will tell us about it afterwards” – is that broadly it? Is there any more detail you can give us in terms of the work that the experts were doing over the last few weeks to try and figure out how you decide when a bond is suffering from convertibility risk?*

And the second question is, since this is all designed to protect the transmission mechanism or repair it, would you say that the transmission mechanism is also broken in a sense in Germany, where perhaps the bonds are suffering from a sort of convertibility premium, and will you be doing anything to fix that?

Draghi: The answer to your last question is, if bond markets are distorted in the euro area, they are distorted in all directions. And this is one of the causes of the impairment of monetary policy transmission. And that is really the objective of this programme: it is to repair monetary policy transmission and to recreate the singleness of monetary policy for the euro area. Now, on the specific question you had whether we had in mind a specific yield target – the answer is no. No, just because the repair of monetary policy transmission is a complex concept, so we will be looking at a variety of issues. The level of yield ceilings is one, but there are also spreads – CDS spreads, bid-ask spreads – and more generally the conditions of liquidity, so we have a variety of indicators. Volatility is also very important, in terms of the indicators that we plan to take into consideration in planning our interventions.

Question: *Under the new OMTs, will the purchases continue to be conducted by the national central banks according to the capital key, and will they take the risks associated with these purchases according to the capital share that they have of the ECB?*

And my second question is, this is kind of the third attempt at making a bond purchase programme work: you did it in May 2010, you did it again in August 2011, and they did not seem to work. What makes you think and why should people be convinced that this third attempt will work?

Draghi: Well, the answer to the first question is yes. And the second is actually very, very important. We certainly discussed that. I would, by the way, disagree that the other two programmes have not worked in such a kind of decisive way, but let me talk about the present programme. The present programme is very, very different from any other programme we had in the past. First of all, we have this conditionality element. That is, I would say, the most important difference, because it really puts together our intervention with an ownership of the economic programme that a certain country has, by the country’s government, but also by the other governments that have to vote in favour of the EFSF interventions. That is one of the differences, and I think it is probably the most important. The second one is that there is going to be much greater transparency: as I said before, we will publish the OMT holdings, the duration, the issuer, the market value. So there is going to be much more transparency. The third is that the duration is different. And the fourth is the explicit statement that we will accept *pari passu* treatment with the other creditors. So, there are very many differences with the previous ones, which lead us to think that it will actually work.

Question: *Two questions, please. Some analysts thought that you would remain vague today, not giving details, because there are some important issues coming up in the next few months. The first is the expected decision of the Constitutional Court in Karlsruhe regarding the claim against the ESM. To what extent has this topic or issue influenced the decision taken today? And my second question is: Unlimited bond purchases are something very new. The SMP is in the past. Now, we have unlimited purchases. What is the rationale for this? Is it to say: “Look guys, we have spent more than €200 billion buying these bonds and still monetary policy measures are not being transmitted.”? Is it to ensure better transmission of monetary policy that you have decided this, which is a big step?*

Draghi: On the first question, we really have taken these decisions with total independence, and we will be processing the requests when they come in. There was no discussion at all regarding decisions taken by other institutions, which they will obviously take with complete independence.

On the second point – yes, we think that having it, ex ante, unlimited in size is adequate to reach our objectives.

Question : *I have a question relating to Ireland. Are you in any way concerned about the tensions and infighting in the Irish coalition over the forthcoming budget? And secondly, what remains to be done in order for Ireland to secure a debt relief deal?*

Draghi: I think you are asking me too much. I think the Irish government has so far been a model of compliance with the macroeconomic adjustment programme. And I am confident that whatever the tensions, this will continue to be the case. On the second question, I have no real news to give you.

Question: *When I listened to your words, I thought that there was quite a lot of Weidmann in it. I was quite surprised. But outside, there is a lot of pressure on you to put less Weidmann in your statements in the future. I fear that that will happen. What do you think?*

Draghi: I am what I am, really. I think one thing that is required for this job, for me and my colleagues in the Governing Council, is that you have to think with your head, and external pressures do not really have a role to play in your decision-making.

Question: *Especially, Mr Weidman – I mean, Mr Draghi – all the conditionality. You have talked constantly about conditionality. Every second word was “conditionality”. I am a German. I really think your approach is great, but you know the markets. You know all these markets are putting pressure on you and your colleagues. In four weeks we will be sitting here again at another press conference. I hope that this conditionality will stay and you will not give ground regarding this issue of conditionality.*

Draghi: Certainly, certainly. And as I have said before, you know, all of us are convinced, all of the Governing Council is convinced, that really you need two legs to make it work. We are all convinced that having just one leg does not work. As you have said, Brian, we have had previous experience of this, and that was basically one leg and did not work. We need both to make it work. And I think that is a general conviction. Again, I think there is unfortunately a misconception – especially, I would say, in this country – about how the Governing Council works, and this is not accurate.

Question: *The SMP was of a temporary nature. Are the new OMTs here to stay forever, or is there a limit on them? Secondly, there were some voices in the markets yesterday saying that there was a “North-South” discussion within the ECB, in that one person would like to have very strict conditions and another would like to have lenient conditions. Could you please explain if this is true or not.*

Draghi: First, in terms of the size, I said there is no ex ante quantitative limit to these interventions because we want this to be perceived as a fully effective backstop that removes tail risk from the euro area. But, at the same time, if we achieve our objectives, why should we continue making these interventions? If governments or countries do not comply, why should we continue doing so? These are the two conditions for exiting. This is pretty clear now. As I said, we always go back to the reasoning that we have to have two components for this backstop to work. On the “North-South” question, I think that was an unfair characterisation. There were discussions about conditionality, but they were not dramatic. People had different views but, in the end, we converged. As I said, an overwhelming majority of the Governing Council were in favour of the concept that I have just described to you.

Question: *I wonder if the fact that you have systematically had one person opposing most of the decisions you have taken lately is a source of discomfort. Do you think it is appropriate that the same opposition is then expressed publicly, sometimes almost simultaneously or immediately after the decisions are announced by this party?*

Draghi: I think that, in my job as president, I have been blessed by almost having unanimity on the very important and fundamental decisions that we have taken in the last few months. There is nothing I would wish more than to have total unanimity, of course. So I am looking forward to having that.

Question: *Mr Draghi, would you agree with the statement that the ECB can only buy time with its OMT actions, in order that politicians resolve the crisis? And are you confident that political leaders in the euro area will use this time effectively? Secondly, polls show a lack of trust on the part of the German public in you as President of the ECB. How will you regain this confidence?*

Draghi: Regarding the first point, as I have said several times today, governments have to undertake the policy reforms. We are convinced that no intervention by this or any central bank is actually effective without concurrent policy action by governments. And frankly, if we look elsewhere in the world, we see exactly that. We see that if there is no concurrent action by governments, the effects of these kinds of intervention are not very strong.

As to your second question, well, the proof is in the pudding, and if the action of the European Central Bank under my presidency continues to maintain price stability, as it has done so far, and as my predecessor did during his eight-year term, I think trust will be regained. I have only had one year so far, so of course it is too early.

Question: *Mr Draghi, I want to ask if the inclusion of the precautionary programme was decided on with countries like Spain or Italy, who have refused the idea of undergoing a full macroeconomic adjustment programme, in mind?*

Draghi: No, no, the answer is no. It was basically the common view that in addition to the precautionary programme you also have the possibility of a full macroeconomic adjustment programme, and I would consider that the two forms have broad conditionality and require involvement of all the other euro area governments.

Question: *Yes, but Mr Draghi, does this not mean a soft bailout fear?*

Draghi: Oh no, not at all, you should look at the conditionality of the ECCL [Enhanced Conditions Credit Line]. It is a full macroeconomic conditionality and it would also see the involvement of the IMF.

Question: *Mr Draghi, I just wondered if I could ask you about what you see as the long-term implications for European Monetary Union (EMU) as a result of the steps that you have taken today? You wrote a week or so ago about the future structure of EMU – with these steps, are you in effect pushing governments in the direction that, in order to get relief from the ECB, they really have to push towards a more integrated European Union?*

Draghi: I think that would be a very ambitious objective. We are trying to do something which we believe is very important for the euro area and for price stability, which is to repair monetary policy transmission channels in the euro area. That is our job and we are trying to do it to the best of our ability. Whether this will have implications for the broader political destinies of the euro area is very much in the hands of our leaders and much less in the hands of central bankers.

Question: *I am wondering if you could comment when the OMT programme will be launched? For example, in Portugal and Ireland, are you ready to start buying under the OMT programme today and do you anticipate that you will be in a position to buy bonds in Spain before the end of the month so that we can avoid a Moody's downgrade?*

Draghi: The answer is the same as before. It is in the hands of governments. As far as Portugal and Ireland are concerned, the press statement says that Outright Monetary Transactions “may be also considered for Member States currently under macroeconomic adjustment programme when they will be regaining bond market access”.

Question: *Since you were talking about a pretty downbeat economic outlook, do you think the OMT will have an immediate impact on credit growth and the real economy in terms of the borrowing rates that businesses are paying in the periphery and the contraction in lending growth that we have seen there. On a related note, in view of that situation, was there any talk of not sterilising purchases, given that that would have an impact on credit?*

Draghi: The answer to your second question is no. In answer to your first question, the objective of the OMT programme is to repair monetary policy transmission channels, which today are hampered, and to recreate a single currency area, which today is fragmented. We should therefore see some improvement on the credit front. However, we should not forget that credit flows are sluggish for several reasons, one of which is low demand.

Question: *The ECB already has a lot of sovereign bonds on its balance sheet, by some estimates amounting to some 33% of euro area GDP. Once you start throwing in the OMT bonds, are you concerned that the market will start questioning the integrity of the balance sheet of the ECB?*

Second, would you say that the high yields on government bonds, in particular in Spain and Italy, are based on unfounded fears? It is almost like a self-fulfilling prophecy. But you have to admit that economic data suggest that some of these high yields could in fact reflect reality.

Draghi: First of all, the figure you quoted about our SMP holdings is way off mark. We are talking about around 3% of total euro area GDP, not 33%.

On the yields, you are absolutely right. As I said at the start, the programme needs two legs. We should not forget how these countries found themselves in a bad equilibrium to begin with, namely because of incorrect policies and policy mistakes. So to this extent, the yields that are currently in the market reflect this fact. They do not reflect only unfounded fears of possible reversibility, they also reflect the quality of the outstanding credit of these countries.

Question: *Will all national central banks participate in the purchases in the OMT programme? My second question is, if the OMT programme is operational, could it create an incentive for countries to issue short-term debt instead of long-term debt, and what are the countermeasures to address that?*

Draghi: On the second question – the first question I have already answered – certainly, there could be such an incentive. We will monitor the situation very carefully, but, at the same time, one assumes that countries would like to keep a structure of debt issuance which is balanced across all maturities. So there is a danger, there is a risk, but it is not at all clear that debt issuers will actually move in this direction because it has a cost, namely of unbalancing a maturity structure which was probably balanced to begin with and has taken many years to achieve.

European Central Bank

Directorate Communications

Press and Information Division

Kaiserstrasse 29, D-60311 Frankfurt am Main

Tel.: +49 69 1344 7455, Fax: +49 69 1344 7404

Internet: <http://www.ecb.europa.eu>

Too central a banker?

The Economist Blog Charlemagne Sep 7th 2012, 14:49 by A.L.G. | BRUSSELS



WHEN European leaders declare that they will do whatever is necessary to protect the euro zone, most people just yawn. But when Mario Draghi, president of the European Central Bank, said the same in July, everybody took notice.

This week plaudits (and some protests) have been showered on Mr Draghi after he confirmed on September 6th (over the explicit objections of Germany's Bundesbank) that the ECB would resume buying the bonds of troubled countries—on strict condition that stricken countries submit to formal, externally monitored reform programmes. (The details are [here](#), the transcript of the press conference is [here](#) and the assessment of my fellow Economist blogger is [here](#)).

Often in the crisis the ECB has appeared to be the only thing standing between the euro and the abyss. This has brought it ever greater influence. The proposed new banking supervisor for the euro zone will be an offshoot of the ECB (see my column this week, [Eurobankingfragilistic](#)). Moreover, the ECB's officials are part of the troika that monitors and enforces countries' compliance with their bail-out conditions. And when it comes to the future of the euro zone, Mr Draghi has become the most explicit of the “four presidents” (of the ECB, the European Council, the European Commission and the Eurogroup of finance ministers) who are drafting a “road map” for future integration (their first report is [here](#))

All this raises a question: is the ECB becoming too powerful? Is it straying too far from a central banks' role of setting interest rates and controlling inflation? Is it becoming too overtly political?

Figures close to the ECB argue that, at a time when Europe is confronting its greatest economic crisis since the second world war, European institutions must respond with the imperfect means at their disposal. The European Union, or even the euro zone, is not a federal state. So it is up to the most integrated parts of it to show leadership.

That the ECB should take such a central role is in many ways a reflection of the failure of the euro-zone's political leaders to bring the debt crisis under control in more than two years of emergency summits and bail-outs. There reasons are many: publics are reluctant to give up sovereignty and share risks to the degree needed to stabilise the currency; parliaments are reluctant to give out taxpayers' money; debtor states are resistant to demands for ever more austerity. None of Europe's leaders except Germany's chancellor, Angela Merkel—and probably not even her—can resolve the crisis alone. Yet every leader can place obstacles in the way of solutions. So progress, when it takes place, is measured in haphazard half-steps, which never quite satisfies investors who want certainty.

Mr Draghi is in an entirely different position. Whereas politicians must raise money from taxpayers, the ECB can in theory print unlimited quantities of the stuff. As an independent central banker he is accountable to no government or parliament—only to other unelected central bankers in the ECB's governing council. The only real obstacle is the Bundesbank's chief, Jens Weidmann. But in a body where Germany has the same vote as Greece, Mr Weidmann can easily be outvoted—as he was this week. Despite his [denunciation](#) of the bond-buying plan, Mr Weidmann shows no sign of resigning in protest.

Mr Draghi is supposed to rise above base politics, yet he takes part in every European summit. His public pronouncements are studied like Greek oracles. The high priest of Europeanism does not officially negotiate with leaders. But Like Jean-Claude Trichet before him, he sends messages to political leaders from the top of the Eurotower in Frankfurt, listens for a response and then pronounces.

Last December Mr Draghi spoke vaguely of the need for a “fiscal compact” and, lo, leaders agreed to a new treaty enshrining balanced-budget rules. Mr Draghi then sprayed the banks with €1 trillion worth of cheap money.

Now Mr Draghi is setting conditions more explicitly. Forget “light” forms of conditionality. The ECB said it would resume its dormant bond-buying programme only if two conditions were met. First, countries needing help must ask for it and submit to a fully-fledged programme agreed and monitored by European institutions (and preferably by the IMF too). Second, the rescue funds should start buying bonds in the primary market. This could be done by the temporary European Financial Stability Facility, or the new improved European Stability Mechanism that should soon enter into force, pending a ruling by Germany's constitutional court on September 12th.

In the past, the ECB's conditions would be spelled out in secret letters, for instance when the ECB started buying Italian bonds last year (see my earlier blog post [here](#)). Now the ECB wants the conditions to be made explicit by governments. Bond-buying would end when the (unspecified) objective had been achieved, says Mr Draghi, or if the country in question breached the terms of its reform programme.

Mr Draghi, then, is not going to stand in the front line wielding the ECB's big bazooka. But if others man the trenches, he will provide artillery support from the rear to avert a catastrophe. Mr Draghi himself uses a different image: the response to the crisis has to stand on “two legs”. ECB action without reforms would be ineffective. But he also acknowledges that reforms by governments are taking too long to bear fruit and need to be supported by the ECB.

Mr Draghi justifies his action with the argument that high yields faced by southern European governments are not only the product of a higher credit risk, but also the result of markets' “unfounded” fear that the euro would break up. The former is a matter for governments, but the risk of currency redenomination is the ECB's business because it impedes “the transmission of monetary policy”. It is an appealing argument, but hard to put a number on the extra interest countries are paying because of the convertibility risk.

Nevertheless, Mr Draghi insists the euro is irreversible. The ECB's intervention in the market is aimed at removing the “tail risk” of a break-up. At his press conference a journalist cheekily asked why it was Mr Draghi's job to ensure the euro's irreversibility. By what authority could he decide what currency countries should use? Mr Draghi offered no real answer.

Even if one accepts the premise that saving the euro is part of the ECB's mandate, Mr Draghi is straying into awkward territory. The ECB's independent action has been made dependent on fickle politicians. At least indirectly, Mr Draghi will be bargaining with governments over the terms of their reform programme.

To the irritation of the ECB and Brussels institutions, the Spanish prime minister, Mariano Rajoy, has prevaricated for weeks over whether to seek more assistance, declaring he would wait to see the ECB's terms before deciding whether to ask for help. What if Mr Rajoy takes the money but is later deemed to have missed its targets for reform? If Mr Draghi really cuts off a country like Spain, he would surely be calling into question the future of the euro after all.

There are other worries. Next week the European Commission will propose placing all of the euro zone's 6,000-odd banks under an ECB-directed central supervisor. Many worry that, despite the attempt to place a Chinese wall between the supervisory and monetary roles, the ECB's hallowed independence will become compromised by taking on the huge new task. Can the ECB really separate its decisions on inflation-fighting from its growing role in ensuring financial stability? Perhaps more importantly, would the ECB's reputation for competence survive a major failure of supervision?

Then there is the question of how to fix the design flaws of the euro zone. An [article](#) written by Mr Draghi last month for the German daily, Die Zeit, caused much excitement because the mention of “exceptional measures” seemed to confirm that the bond-buying programme would be restarted.

In fact, most of the piece set out Mr Draghi’s vision for the economic and political integration of the euro zone. It is not just the currency that should be irreversible, he said, but also the whole “historic process of European unification”. In his view, stabilising the euro would require political integration that stops short of a full federation.

...this new architecture does not require a political union first. It is clear that monetary union *does* entail a higher degree of joint decision-making. But economic integration and political integration can develop in parallel. Where necessary, sovereignty in selected economic policy fields can and should be pooled and democratic legitimation deepened.

How far should this go? We do not need a centralisation of all economic policies. Instead, we can answer this question pragmatically: by calmly asking ourselves which are the minimum requirements to complete economic and monetary union. And in doing so, we will find that all the necessary measures are firmly within our reach.

For fiscal policies, we need true oversight over national budgets. The consequences of misguided fiscal policies in a monetary union are too severe to remain self-policed. For broader economic policies, we need to guarantee competitiveness. Countries must be able to generate sustainable growth and high employment without excessive imbalances. The euro area is not a nation-state where persistent cross-regional subsidies have sufficient popular support. Therefore, we cannot afford a situation where some regions run permanently large deficits vis-à-vis others.

For financial policies, there need to be powers at the centre to limit excessive risk-taking by banks and regulatory capture by supervisors. This is the best way to protect euro area taxpayers. There also needs to be a framework for bank resolution that safeguards public finances, as we see in other federations. In the U.S., for example, on average about 90, mostly smaller, banks per year have been resolved since 2008 and this had no impact on the solvency of the sovereign.

Political union can, and shall, develop hand-in-hand with fiscal, economic and financial union. The sharing of powers and of accountability can move in parallel. We should not forget that 60 years of European integration have already created a significant degree of political union. Decisions are made by an EU Council filled by national ministers and by a directly elected European Parliament. The challenge is to further increase the legitimacy of these bodies commensurate with increasing their responsibilities and to seek ways to better anchor European processes at the national level...

It is hard to imagine any other central banker setting out such a detailed political blueprint for economic and constitutional reform. Then again, the ECB is no ordinary central bank and these are no ordinary times. In a crisis it may make sense for a trusted figure to offer direction, even to take risks. But it is not a role that an unelected central banker can play for too long.

After High Note for Euro Plan, Discord Emerges

By [STEVEN ERLANGER](#)

PARIS — In the long euro crisis, there is almost always a sobering morning-after whenever European leaders appear to have made a major breakthrough. And so it went again on Friday.

Greeted with initial fanfare by investors and economic officials, [the unlimited bond-buying plan](#) that the [European Central Bank](#) president, [Mario Draghi](#), announced Thursday ran into immediate political problems in the crucial countries of [Germany](#), [Spain](#) and [Italy](#).

In Germany, despite Chancellor Angela Merkel's support for Mr. Draghi and the independence of the Central Bank, political and news media reaction was scathing, with accusations that the bank, in seeking to stabilize [the euro](#) currency union, was subverting its mandate to fight inflation and forcing debt upon euro zone members.

"A Black Day for the Euro," "Over the Red Line" and "Pandora's Box Opened Forever" were some of the German headlines, with the normally sympathetic [Süddeutsche Zeitung](#) headlining an editorial: "The E.C.B. Rewards Mismanagement." Even the German Bundesbank, officially part of the European Central Bank, put out a statement commenting acidly that the plan was "financing governments by printing bank notes."

At the same time, the two intended beneficiaries of the Draghi plan — Spain and Italy — expressed reluctance to ask the bank for help, even if both might eventually have little choice but to seek aid. The governments in Madrid and Rome apparently fear the political impact at home of bowing to whatever demands for harsh economic policy changes might come with the aid.

They seem afraid that the medicine might prove worse than the disease, because Mr. Draghi made it clear that there would be no bottomless well of money made available without a program of greater spending discipline.

"Those who did everything to have the E.C.B. help now say they don't want it," Ferruccio de Bortoli, editor in chief of the newspaper *Corriere della Sera*, said in a [Twitter message](#). "Speculation will play on this contradiction."

The disjunction between how officials seek to placate the lightning-fast markets and the reluctance on the part of the public and politicians to make further sacrifices and move at more than a glacial pace highlight why it has proved so difficult for Europe to overcome the challenges that still threaten to tear apart its 17-nation currency union.

The point of the new bank program is to ease interest rates on the bonds of Spain and Italy, the third- and fourth-largest economies in the euro zone after Germany and France, by reducing investor speculation against the future of the euro itself. High rates threaten to bust their budgets, but also to make it all but impossible to raise money in the financial markets.

If Spain and Italy cannot go to the market to finance their debt, then they could need full bailouts by a [European Union](#) whose rescue funds are simply too small. So keeping interest rates down for Spain and Italy is a vital part of any euro rescue plan. It is also necessary to buy time for European politicians to make the difficult political decisions to achieve the fiscal and banking union that is the longer-term answer to the structural problems of a common currency without a common treasury.

So far, investors are continuing to bet on Mr. Draghi. Interest rates on the bonds of Spain and Italy fell significantly on Thursday and Friday, after an upward swing in the value of stocks and the euro on Thursday.

The next test for the euro is on Wednesday, when the German constitutional court is expected to rule on the soundness of the permanent European bailout fund, the European Stability Mechanism, that would finance much of the bond buying under the Draghi plan.

More challenges lie ahead. Despite the reluctance of the Spanish prime minister, Mariano Rajoy, to risk the stigma of seeking help — beyond the money Europe has promised to help prop up Spain's most troubled banks — he is expected to nonetheless make such a request before the end of October.

Spain must pay back 20 billion euros, about \$25.6 billion, in bond redemptions in October. And some analysts suggest that Mr. Rajoy will need to seek help to satisfy half of Spain's 180 billion euro financing needs (about \$230 billion) over the next year. "The Spanish fear is that they become another Greece — that they will have to chop off their right arm for a blood transfusion," said Mark Cliffe, chief economist at ING Bank in Amsterdam.

But some European officials suggest that Spain has already done a lot to clean up its books — more than Italy has done, certainly — and that any new conditions might not be much more onerous, especially in a period of such deep recession and political backlash against austerity. Mr. Rajoy is already losing popularity rapidly, and no one wants further political instability in Spain to add to continuing anxieties over Greece.

Italy is a less urgent case. Prime Minister Mario Monti, a respected economist, had been pushing for a European Central Bank program as a safety net. But he is loath to accept the terms that might now be required because of their potential to choke off economic growth and because of Italy's own complicated political scene. The country's ruling political parties, which support Mr. Monti for now, are rapidly losing popularity to anti-euro populist forces as national elections approach next spring.

At the same time, some Italians would welcome the idea of the Central Bank's conditions as a way of forcing change through the sclerotic Italian political system. But there is considerable uncertainty about what kinds of conditions would be required in return for the new program, and Mr. Draghi made it clear that there would be different conditions for different countries.

In part to reassure the Germans, Mr. Draghi said that the bank's new willingness to buy bonds of countries facing market speculation would be dependent on "conditionality" — working out a program of structural and economic change with experts from the European Central Bank, the European Union and the [International Monetary Fund](#), the so-called troika that has arranged full bailout programs for Greece, Ireland and Portugal.

But when asked how conditionality would be defined, Mr. Draghi was deliberately vague.

There is a further uncertainty about the survival of the euro zone, which the Central Bank is mandated to defend. Once the Central Bank loads up further on Spanish and Italian bonds — it has already bought more than 200 billion euros (\$256 billion) of European bonds, including 50 billion euros (\$64 billion) from Greece — it will find it very difficult to stop its bond buying even if countries do not keep to their promises of reform. To do so would be a form of suicide, because it could set off market panic and force countries to exit the euro, beginning a process with no clear end.

But to numerous Europeans in countries with economic problems, from Greece and Italy to Portugal and Spain, there also seems to be no end to hard times.

"I'm pretty convinced that Italy will apply for aid from the E.C.B sooner or later, and we'll work just to repay the money that the Germans lent us," said Gianluca Braia, 40, a Roman who lost his job at a food company that outsourced his work. "I'm happy that Monti is prime minister," he added, "but the music changes little for us citizens."

Reporting was contributed by Landon Thomas Jr. and Stephen Castle from London, Rachel Donadio and Gaia Pianigiani from Rome, Melissa Eddy from Berlin, and Raphael Minder from Madrid.

M100-Preis für Mario Draghi

Mehr Europa, keine Sorge!

FAZ 07.09.2012 · Europa in Potsdam: EZB-Präsident Mario Draghi erhält den M100-Preis, Wolfgang Schäuble hält eine Rede. Und alle glauben, dass es mit dem Euro weitergeht.

Von Andreas Nefzger



© Reuters Im Optimismus vereint: Wolfgang Schäuble und Mario Draghi

Die Krise der Wirtschaft und des Euro könnte überwunden werden, indem man die parlamentarische Demokratie europäischer Prägung abschafft. So in etwa der Gedanke des früheren bulgarischen Außenministers und jetzigen Präsidenten des Atlantic Clubs Bulgarien, Solomon Passy, vorgetragen auf dem M100 Sanssouci Colloquium, zu dem jährlich Medienmacher aus aller Welt geladen werden. Die Veranstaltung widmete sich der Euro-Krise, speziell der Frage, was man von ihr über die angemessene Architektur der EU lernen kann.

Für den sicherlich gewagtesten Vorschlag des Tages bemühte Passy eine Flugzeug-Analogie. Vom Auto bis zum Flugzeug brauche der Steuermann für so ziemlich alles eine Lizenz, nicht aber zum Führen eines Landes. Der Pilot müsse sein Können am Simulator unter Beweis stellen, der Regierungschef werde ohne entsprechende Eignungsprüfung auf das Volk losgelassen. Dabei sei ein solcher Simulator auch für die Politik vorstellbar. Mittels Algorithmen ließe sich berechnen, wer das Lebensglück des Volkes am meisten steigern könnte. Wenn man es so halte, seien Wahlen überflüssig, es gebe auch keinen Nationalismus mehr und keinen Populismus, weil das schlicht Folgen schlechter Regierungsführung seien.

Derlei Gedanken sorgten im Publikum zunächst für Amüsement, nicht beim Redner, dem war es ernst, und irgendwann rollten immer mehr Zuschauer mit den Augen. Ein Journalist der „Süddeutschen Zeitung“ bat, das mit der Flugzeug-Analogie jetzt bitte zu lassen und zu sagen, wie er, Passy, politisches Personal auswählen würde, ganz ohne Computerspiele. Nicht nur eine Kollegin vom „Independent“ schloss sich an. Passy ließ sich nicht beirren. Nur einmal entlockte ihm der Moderator einen Vorschlag zur Bewältigung der Krise: „mehr Europa.“

Das europäische Haus zusammenhalten

Trotz mancher Anlässe zur Diskussion (Ist Griechenland selbst an an der Krise schuld oder die Beschaffenheit der EU? Ist die Eurozone trennbar? Sind europaweite Referenden demokratisch oder gefährlich?) herrschte Konsens, dass Europa seine Probleme nur mit einer stärkeren Integration in den Griff bekomme. Am radikalsten trug diese Sicht **der österreichische Schriftsteller Robert Menasse** vor. Er plädierte dafür, die EU und die Regionen zu stärken, aber die nationalen Demokratien abzuschaffen, weil eine von nationalen Regierungsvertretern geführte EU nie den Nationalismus überwinde. In die gleiche Richtung, wenn auch weniger drastisch, wies der frühere griechische Außenminister und jetzige EU-Parlamentarier Dimitris Droutsas: „Wenn wir nicht mehr Europa wagen, werden sich die europäischen Nationen noch weiter voneinander entfernen.“ Nicht einmal Roger Köppel, Chefredakteur der Schweizer „Weltwoche“ und bekennender Europa-Kritiker, ließ sich auf weniger Europa verpflichten. Er wolle in erster Linie mehr Demokratie in der Union, sagte Köppel, und keinen „zentralistischen Monolithen“.

Für die Diagnose, warum sich so wenig bewege, wurde mehrmals Eurogruppen-Chef **Jean-Claude Juncker als Kronzeuge mit der Einschätzung bemüht, es wüssten alle, was zu tun sei, wüssten aber nicht, ob sie dann**

wiedergewählt würden. Dazu passte, dass der Preis der Veranstaltung jemandem überreicht wurde, an dessen Macht das Volk nicht rütteln kann, nämlich dem Präsidenten der Europäischen Zentralbank Mario Draghi für sein Engagement, „den Euro zu stabilisieren und mit allen Mitteln dafür zu kämpfen, das europäische Haus zusammenzuhalten.“

„Yes we can!“

Draghi hatte mittags noch in Frankfurt mitgeteilt, dass seine Institution nun unbegrenzt Staatsanleihen kriselnder Euro-Länder kaufen wird. Bundesfinanzminister Wolfgang Schäuble freute sich als Hauptredner angesichts dieser Koinzidenz, dass seine Rede nicht als Laudatio geführt wurde - wegen der Unabhängigkeit der EZB, wie er sagte, wohl aber auch, weil Draghis Entscheidung die Bundesregierung nicht gerade begeistert.

Schäuble gab durchaus Antwort auf die Fragen, die an die Politik gestellt werden. Dem Ruf nach „mehr Europa“ schloss er sich an, verteidigte aber die Geschwindigkeit, mit der die Politik daran arbeite. Die komplexe Materie und die bürokratischen Verfahrensweisen der EU erforderten Geduld. Wie Kanzlerin Angela Merkel kam er immer wieder darauf, dass die Probleme Schritt für Schritt zu lösen seien.

In ihrem Optimismus waren Konferenzteilnehmer und Festredner wieder vereint. Bis auf einen polnischen Journalisten waren sich alle einig, dass die Krise zu überwinden ist. Dimitris Droutsas ließ sich, was die Situation in seinem Land angeht, gar zu einem „Yes we can!“ hinreißen. Draghi brachte seinen Optimismus mit einer Referenz an den Ort des Geschehens zum Ausdruck: Irgendwann werde es mit der Eurozone wieder so sein, wie dieses Schloss heiße: Sanssouci. Ohne Sorge also.

Quelle: F.A.Z.

Reaktionen zur EZB-Entscheidung

„Ein Schlag gegen die deutsche Arroganz“

FAZ 08.09.2012 · Die EZB-Entscheidung zum Anleihenkauf hat in Italien Genugtuung ausgelöst. Vor allem Politiker und Medien aus dem rechten, zuletzt eher antideutschen Lager äußern sich triumphierend.

Von [Tobias Piller](#), Rom



© dapd Italien brauche keine Intervention der EZB und strebe weiter nach Reformen für mehr Wachstum, so Ministerpräsident Mario Monti

Die Entscheidung der Europäischen Zentralbank (EZB) für den Kauf von Staatstiteln bis zu einer Laufzeit von drei Jahren hat in Italien ähnliche Genugtuung ausgelöst wie der Verhandlungserfolg von Ministerpräsident Mario Monti im Juni, als er europäische Interventionen zur Senkung der Zinsen für die Staatstitel durchsetzte. Monti sagte nun, die Entscheidung vom Donnerstag bringe eine Form des Regierens für Europa, die ihn mehr zufriedenstelle als bisher.

Vor allem die Politiker und Medien aus dem rechten, zuletzt eher antideutschen Lager äußern sich triumphierend. Silvio Berlusconis Wirtschaftsberater Renato Brunetta verlangt etwa eine „Operation der Wahrheit über all die wirtschaftspolitischen Fehler, die Deutschland gegen die anderen Länder gegen alle demokratischen Prinzipien durchgesetzt hat“. Zudem reicht dem Wirtschaftsprofessor selbst die angekündigte Interventionsbereitschaft der EZB nicht aus. Benötigt würden noch weitere „Bazookas“, aus Europa und in den einzelnen Ländern.

Auflagen sind in Italien nicht erwünscht

Der führende norditalienische Politiker in Berlusconis Partei und Vizepräsident des Abgeordnetenhauses, Maurizio Lupi, sagte, die Entscheidung der EZB zeige die Schwäche der ideologischen und nationalistischen Positionen Deutschlands, von denen die Europäische Union gebremst werde. „Zugleich wird mit Kraft unterstrichen, wie die Rolle der Europäischen Zentralbank aussehen muss“, sagte Lupi. Für die populistischen Medien im rechten Lager bekommt die Freude über die Entscheidung in Frankfurt auch einen antideutschen Ton: „Ein Schlag gegen die deutsche Arroganz“, kommentiert der Chefredakteur der Zeitung „Il Giornale“.

Der Wirtschaftswissenschaftler Tito Boeri zieht aus der EZB-Entscheidung hingegen die Schlussfolgerung, dass die italienische Regierung nun versucht sein könnte, die Schuldenverwaltung in eine unkluge Richtung zu lenken. Bisher habe Italien versucht, die Laufzeit seiner Staatsschulden möglichst lang zu halten. Derzeit liegt sie im Durchschnitt bei rund sieben Jahren. Weil aber die EZB nur Staatstitel mit einer Laufzeit von höchstens drei Jahren kaufen wolle, könne Italien nun versucht sein, noch mehr Titel mit kurzer Laufzeit auszugeben - momentan beträgt deren Volumen 552 Milliarden Euro bei einer Gesamtschuld von 1970 Milliarden.

Nachdenklich gestimmt präsentieren sich italienische Ökonomen, auch Ministerpräsident Monti, zu den Folgen der EZB-Entscheidung in Bezug auf die italienische Haushaltspolitik. Etwaige Käufe von Staatstiteln wären verbunden mit Auflagen, die in Italien bisher nicht erwünscht sind. Daher sagen Monti und seine Minister derzeit, Italien brauche keine Intervention der EZB und strebe weiter nach Reformen für mehr Wachstum.

Quelle: F.A.Z.

Mario Draghi promised a bazooka but produces a pea-shooter

Mario Draghi has promised to do whatever it takes to save the euro. Was the bond-buying initiative the European Central Bank president announced today enough, as he claimed, to "backstop" European monetary union?



Mr Draghi has at least managed to buy a bit more time.

The Telegraph By [Jeremy Warner](#)

8:05PM BST 06 Sep 2012

If, like me, you have come to see the single currency as unsustainable in its present form, both politically and economically, then plainly not. But, as with previous ECB initiatives, Mr Draghi has at least managed to buy a bit more time. The endgame has been pushed further, possibly quite a lot further, into the future. Markets responded accordingly.

Without the conditional bond-buying programme agreed by the ECB governing council today, the show would certainly have been over by Christmas, with either Spain or Italy blowing it up in frustration. We can forget poor little Greece, which in its pride still manfully soldiers on with a project which condemns the country to permanent depression. Whether it leaves or stays no longer makes much difference to anyone else. Most of the preparation for its exit has already been done.

But both Italy and Spain are core to the continued existence of meaningful monetary union in Europe, so they had to be placated in some way or other. The bond buying, Mr Draghi hopes, will help restore borrowing costs in the eurozone periphery to more sustainable levels. In itself, it won't be enough to save the euro. Only the politicians can do that. But it may help buttress it for a little while longer.

The one dissenting voice to what we must learn to call "outright monetary transactions" (OMT) was Jens Weidmann, president of the German Bundesbank.

He's already been very public in his opposition to bond buying, which he views as money printing to finance government spending, plain and simple. Not for nothing is the OMT programme being dubbed "on my tab", for no-one in Germany is in any doubt about who will be bankrolling all this.

Even so, Mr Weidmann's opposition, principled though it may be, is something of a charade. To assuage public opinion at home, German policymakers must be seen to defend to the last the principles of sound money, even if they don't in practice. Despite being over-ruled, Mr Weidmann will not be resigning in protest, still less will Germany be leaving the euro in disgust. Of that we can be sure. In agreeing the bond buying, the ECB has taken another small step towards becoming a proper central bank. We cannot yet call this fully fledged "quantitative easing", of the type being practiced in the US, Britain and Japan, but it's quite close.

It also formally acknowledges for the first time that, despite the existence of the single currency, monetary conditions in the eurozone have been fragmenting along national lines in a highly destructive way, with tight money in the periphery and comparatively loose money in Germany and the rest of the core.

Pre-euro spreads, not just for government debt but for household and business debt too, have been re-establishing themselves, a situation which is perfectly fine in a system of free floating exchange rates, where the consequences for competitiveness can be arbitrated away by devaluation, but is plainly intolerable within a

single currency area. What's the point of having monetary union if monetary conditions are widely divergent within it?

Flight of capital from the periphery to the core is already estimated to have saved the German government nearly €70bn (£55.5bn) in financing costs, even as the periphery sinks under the weight of crippling high market interest rates.

If the reason for such differences was divergent credit risk, then fair enough, but actually this is not the underlying problem. What it's about is "convertibility risk". Because investors believe there is some possibility of periphery countries leaving the euro, they demand a premium. This, in turn, further weakens the periphery's fiscal position and raises the cost of private sector credit, thereby undermining the chances of economic recovery. The process then becomes self-fulfilling. Denied growth by scarce money, the periphery would eventually have no option but to leave.

Mr Draghi's OMT programme is intended to short circuit this dynamic. And for a while, it might actually work. To defuse Northern objections, Mr Draghi has made the bond purchases conditional on fiscal consolidation and structural reform for participating countries. He's also said he will "sterilise" the new money. This certainly counters some of the positive impact of any bond buying but it doesn't entirely negate it.

To activate the bond buying, Spain and Italy will formally have to request a bail-out and agree the necessary conditions, including monitoring by the International Monetary Fund. But they don't have to subject themselves to the humiliation of following Greece, Ireland and Portugal on to the programme. It would have stretched the bail-out funds to breaking point just to finance one of these economies, let alone two of them.

As for the conditionality, even in Britain, QE is partly conditional on the Government meeting its fiscal consolidation targets. That was the deal struck with the Bank of England when the Coalition came to power.

It will be interesting to see whether the Bank cuts up rough if, as seems likely, the Coalition is judged this autumn to be renegeing on the targets by the Office for Budget Responsibility.

Probably not, as the Bank has already been perfectly prepared to sacrifice the inflation target in pursuit of the supposed greater good of supporting demand. Be that as it may, it doesn't seem so outrageous that Mr Draghi should demand a more formal version of the same thing.

The "sterilisation" is likewise no more than a bit of window dressing to make the whole thing more palatable to the Bundesbank. Sterilisation through the auction of one-week deposits is neither here nor there. The whole thing might as well be un-sterilised.

As Simon Ward, chief economist at Henderson Global Investors, points out, bond buying as proposed is not the full monty. Fully fledged QE would see the ECB buying up government debt throughout the eurozone in proportion to each country's share of GDP. The consequent boost to domestic demand in Germany, though possibly inappropriate for an economy which is still growing relatively strongly thanks to buoyant exports, would be just what the doctor ordered as far as the depressed periphery is concerned.

But then that's part of the problem, isn't it? Monetary union is never going to work as a collection of fiscally and politically independent states. Draghi has bought time but he is still a million miles away from lasting resolution. Only the politicians can provide that and, so far, they've shown very little inclination to do so. With a number of critical parliamentary votes up and coming, as well as the German Constitutional Court ruling on whether the bailout fund is legal, there's plenty of scope for things to go badly wrong again between now and Christmas.

When Unlimited Has Limits

Submitted by [Tyler Durden](#) on 09/07/2012 08:17 -0400

From Mark Grant, author of Out Of The Box

When Unlimited Has Limits

Euphoria

Everytime we get the next round of the “Great Cure” for Europe we get the same reaction which is a massive rally based upon the next new drug offered up by the Continent. Reality is reality and there is no denying the initial surge and hope springs eternal from the human breast and the jawboning done by Mr. Draghi has been quite effective and I acknowledge his performance. I also nod to the Southern countries in Europe that have ostensibly won this round and overcome and outvoted their neighbors that will have to fund if it gets to that. I continue to point out that under Mr. Draghi’s plan nothing will be done unless the Stabilization Funds are utilized which means that the ECB will do nothing unless the European Union agrees to it first so that the EU has a veto over any ECB action in effect but no one is paying any attention to that fact at present.

The ECB has shifted any move on their part to an approval process at the EU which will take months to be agreed upon while the ECB has tied their own hands and subjugated themselves to the EU as part of their stratagem but the markets obviously consider this to be a trivial fact. Perhaps this is why Germany has responded in such a benign manner; they know with certainty now that the ECB will do nothing unless the European Union agrees in advance and Germany can veto the entire process if it gets down to it and Germany actually now has more control over the ECB than they did in the past so that the Germans may secretly be quite pleased with the outcome. It is all games within games, a charade for the exhilarated crowd but that is Europe these days.

Nothing that has occurred has changed the financial positions of Greece, Portugal, Spain and Italy one whit but that is also not the focus of the moment. However I think it will be the focus again soon as the recession in Europe deepens and broadens and Spain and Italy both show up begging cups in hand. Then there is the German Constitutional court decision on September 12 and the decision whether to hand Greece another \$50 billion or so or not. At some point the markets will figure out that the ECB just bound themselves in steel wire and that they can now do nothing without the reluctant agreement of the entire European Union where vetoes are possible and where Germany has a much greater sway but it often takes the markets awhile to figure things out and so be it. I have been here before a number of times during the European crisis and I always smile politely, nod my head and wait until the dawning of reality commences.

The Loss of Independence

In very real terms the ECB is now no longer an independent institution. The ECB has promised not to act unless the EU assents. The ECB is now totally subject to the whims of the politicians in Europe and whether the markets ignore this for the moment or not that is the truth of it. In promising redemption the ECB has also traded away its ability to act on its own and it will be interesting to see how this plays out.

The ECB Window

Maturities of 1-3 years for sovereign debt will now be viewed differently no doubt and a lot of money will be invested in the upfront years. They will be viewed as “protected maturities” with not only the backing of the sovereign nation but of the ECB as part of the credit considerations. Funding will also shift to these maturities to get a better rate but this will also cause a massive amount of roll-over in short maturities and failed auctions may occur because of the size of the short funding and the ostensibly lower interest rates that will append to these short maturities for a time. The Firewall concept obviously failed and here is the new, new plan and

“unlimited” and “no cap” is only applicable if the EU agrees; otherwise it is a promise that may never be carried out or utilized but tell no one; it might upset them.

“Things are not always what they seem; the first appearance deceives many; the intelligence of a few perceives what has been carefully hidden.”

Markets Applaud Draghi's New, Improved Kick the Can Down the Road Strategy

EconoMonitor Author: [Yves Smith](#) · September 7th, 2012 · [Comments \(1\)](#) Share This Print 16 0

On Thursday, ECB chief Mario Draghi announced a bond-buying program that had been largely leaked the day prior, namely that of a new bond buying program, the Outright Monetary Transactions, or OMT. Bond yields in [Italy](#) and Spain had already come down on the rumor, and stock markets around the world rallied on the news.

The enthusiasm appears overdone when you look at the sketchy details. Draghi is implementing an improved version of the Securities [Market](#) Program, which only temporarily suppressed periphery country bond yields. As hedge fund manager Scott commented via e-mail: I don't think this is anything but the SMP with more conditionality and pari passu treatment. Markets seem to like it, though." "Conditionality" is Eurocrat-speak for "debtor countries must agree to wear the particular austerity hair shirt we have designed for them before they get any dough." [Per the ECB's press release](#), the new program will be more bloody minded about compliance than the old SMP (which is being terminated). The ECB requires that countries must not only agree to "strict and effective conditionality," but the central bank also will consider Outright Monetary Transactions..**as long as programme conditionality is fully respected, and terminate them once their objectives are achieved or when there is non-compliance with the macroeconomic adjustment or precautionary programme**

While bright lines are useful in theory, in practice, suddenly withdrawing support from a non-complying country is the sort of thing that would provoke the very type of market upset that the central bank seems keen to avoid. So it is not at all clear whether this threat is credible.

Now of [course](#), there were other differences, at least in the mind of Mr. Market. The belief is that the ECB, which is the only actor positioned to buy the eurozone enough time to create a fiscal union and unified bank regulation, has gotten control of the game board. Draghi made clear that only one central bank was opposed to the OMT, which will engage in "unlimited" and sterilized purchases of one to three year government bonds to meet target, but unstated, interest rates. **Of course, the Germans central bank was in opposition, and the German media took up the cry:**

"Financial markets cheer the death of the Bundesbank."

But what does this mean in practice? Well, first, neither Italy nor Spain have yet formally asked for help (the first step in the dreaded "conditionality" process. Italy does not want to ask before Spain, and Spain has and presumably is continuing to try to get some waivers from the sort of conditions that have been imposed on other borrowers before it requests assistance (the press is now reporting that Spain will submit its petition on September 14).

The second part that is striking is that even though Draghi has used the bold word "unlimited," he finessed the question of what the rate targets would be. And how aggressive the rate buying needs to be is very much a function of the rate target. **In theory, since the ECB would be moving risk onto its balance sheet,** it should set the short end rates at the same level as the creditor nations, since more rate relief would help in reducing their debt overhangs. But a move like that could be politically divisive. So not knowing the rate target (or more accurately, finding it out only when the program goes live) is a big gap in assessing whether the program is likely to live up to its promise.

Third, the ECB has had problems sterilizing its debt purchased under the SMP, and it is likely to face this problem on a bigger scale with the presumably much larger OMT. From [Colin Lokey](#):

In any event, the ECB hasn't always been successful in soaking-up the excess liquidity injected into the system via bond purchases. Notably in June 2010 and in November of 2011, bids for the term deposits came-up short by around 23 billion euros and 9 billion euros respectively. Over all, the ECB has failed to sterilize its purchases on at least six separate occasions. The problem is that banks are the most unwilling to part with their cash when anxiety peaks which of course is likely to coincide with spikes in periphery short-term yields. In other words, the bond buying is likely to coincide with cash hoarding, raising considerable doubts about the

ECB's ability to 'soak-up' the liquidity it pumps out. In turn, this raises the possibility that the ECB will fail to soak-up enough of the excess cash to keep inflation expectations in check and to keep its credibility from being questioned

Now in fact, the ECB ought not to care all that much if it can't sterilize all its purchases, but it is much more hawkish than the Fed, so a certain level of (supposedly) inflationary sterilization fail would give it heartburn. (Inflation fears are overdone is that the European economy has tons of slack and high unemployment).

There is also the pesky question of reality. Per Clusterstock's write-up of the ECB press conference, the one point where the interaction got testy was **when the German reporters pressed Draghi on the legality of the program. Reader Jeremy B highlighted Article 123 of the [Consolidated Version of the Treaty of the Functioning of the European Union](#)** (boldface his):

Overdraft facilities or any other type of credit facility with the European Central Bank or with the central banks of the Member States (hereinafter referred to as 'national central banks') in favour of Union institutions, bodies, offices or agencies, central governments, regional, local or other public authorities, other bodies governed by public law, or public undertakings of Member States shall be prohibited, as shall the purchase directly from them by the European Central Bank or national central banks of debt instruments.

Draghi has taken the position that these short term bond purchases are monetary operations and hence permissible, and claims they were contemplated in the ECB's charter. **But it is awfully hard to see a purchase of sovereign bonds in the context of a bailout as a monetary activity, as opposed to using monetary tools for other ends.**

Finally, one might regard this move as a breakthrough if there were reason to think the eurocrats would make good use of the time that this sort of program will buy. But the eurozone leadership seems no closet to resolving its basic impasse than it was in May 2010, the first acute eurocrisis episode. **Germany is still unwilling to give up running surpluses, (???) yet Germany and its fellow creditor nations are unwilling to fund the deficit countries who are Germany's and their customers (???)**. And as we are seeing in Greece, the austerity hairshirt only makes matters worse. The resulting deflationary spiral alone makes debt to GDP ratios worse. And as conditions worsen, the institutional and social fabric starts to decay, which makes recovery even more unlikely. As [Costas Lapavitsas writes in the Guardian](#):

Last week I was in Athens and took the metro to Syntagma Square. Like many northern Greeks, I have mixed feelings towards the capital. Northerners do not like to admit it, but we secretly enjoy the smell of jasmine – the true scent of Athens. But this time the air smelt of cordite.

Syntagma was abnormally quiet: shops shut, people halfheartedly shopping, riot police everywhere. The atmosphere crackled with the expectation of something sinister about to happen. And lo, in Monastiraki Square, a few hundred yards away, a group of young men attacked a shop owner; just another violent episode in a city resembling a tinderbox...

Today, ECB president Mario Draghi tried to stop the rot by promising to buy unlimited amounts of short-term public debt from states that accepted austerity programmes. His aim was to compress interest rates and reverse the fragmentation of banking, **but it will be a short-term palliative at most. Banks need restructuring, and peripheral competitiveness needs to be restored through an investment programme to raise the productivity of labour**. Instead, the EU has opted for the blunderbuss of cuts to labour costs. For the periphery this means high unemployment and low growth; for the eurozone it means a break-up is more likely.

The eurozone mess is the classic illustration of a saying attributed to Herbert Stein, "Economists are very good at saying that something cannot go on forever, but not so good at saying when it will stop." **But while it once looked like market pressures would force a change in policy, it now looks like the shift will come as a result of punitive austerity, either open revolt or widespread disobedience. And they can be as abrupt as market events.**

So while Draghi may have achieved what many commentators see as a firm defense, what he has constructed is the economic equivalent of a Maginot line. While it could be an effective bulwark against financial market attacks, it remains vulnerable to political and legal outflanking.

This post was originally published at [Naked Capitalism](#) and is reproduced here with permission.

EconoMonitor Profile

Yves Smith

Although I believe ideas should stand on their own merit, rather than on their author's credentials, I also recognize that readers want some assurance that they are not quoting a 13 year old or a dog. I have undergraduate and graduate degrees from Harvard. I have been working in and around the financial services industry since 1980 and have had over 40 articles published in venues such as The New York Times, Institutional Investor, The Daily Deal, U.S. Banker, Bank Mergers & Acquisitions, The Conference Board Magazine, BRW Magazine (Australia), and Boss Magazine (Australian Financial Review).

The Latest Attempt to Save the Euro

It took a while, but on Thursday Mario Draghi, the president of the European Central Bank, explained what he meant last July when he said he would do whatever it takes to save the euro.

Largely as expected, Mr. Draghi said that [the E.C.B. plans to buy government bonds](#) issued by troubled euro zone nations, a strategy to hold down borrowing costs in countries like Spain and Italy and, in the process, buy them time to rebuild their recession-racked economies.

What wasn't fully anticipated was the bleak economic backdrop of the announcement. The E.C.B. revised its projections downward to show a contraction in the euro zone this year of 0.2 percent to 0.6 percent. The Organization for Economic Cooperation and Development also downgraded its assessment, saying that the euro zone recession would worsen in the second half of 2012 while growth in other developed nations, including the United States, would continue to be slow.

Financial markets mostly ignored the pessimistic forecasts, instead rallying on the E.C.B.'s pledge of a new rescue effort. But the broader economic picture underscores the urgency — and limitations — of the latest move.

The new program is an improvement over previous central bank interventions. Notably, there will be no preset limit on the bond purchases, reducing worries that the help will not be sustained enough to make a difference. Nor will the E.C.B. insist that it be first in line to be repaid, allaying fears that private creditors would be disadvantaged by its new bond purchases.

And while the governments in trouble will have to ask for aid and, in exchange, agree to undertake economic and fiscal reforms, **there is reason to hope that such reforms will not be as backbreaking — and counterproductive — as those imposed on Greece and other bailed-out nations.** The European Central Bank put forth the new plan over the objection of the German central bank, a big champion of austerity. That could indicate that the bond purchases will not be coupled with the same kind of severe austerity that has characterized rescue efforts so far.

Despite these positive signs, the plan could still be derailed. It is structured to work in tandem with the new permanent European Union bailout fund, which has been held up until at least Wednesday, when a German court will rule on the constitutionality of Germany's participation. Given Germany's economic and political importance, a legal setback would send European officials back to the drawing board in search of solutions.

Even if the E.C.B. plan moves ahead, it cannot by itself cure what ails the euro zone. Deficit hawks have focused on the danger that a rescue by the central bank would remove the incentive for troubled nations to undertake necessary fiscal reforms. **A bigger danger is that all of the euro zone's political leaders could be lulled by a successful intervention into letting up on efforts to unify the currency union for the long term, including the creation of Pan-European banking, fiscal and political unions.**

The E.C.B. has taken an important step to save the euro. For the euro's survival, and for the health of the global economy, Europe's leaders now have to follow up.

09/07/2012 04:00 PM

The World from Berlin

'The ECB Is Doing Governments' Dirty Work'

The ECB's announcement on Thursday that it is prepared to make unlimited bond purchases in order to lower borrowing costs for countries in crisis could mark a turning point in the euro crisis. German commentators, however, criticize the bank for becoming a hostage to politics.

Presenting a prestigious German media prize in Potsdam, near Berlin, on Thursday evening, German Finance Minister Wolfgang Schäuble only had good words for the recipient. The man, who received the award for his efforts to save the euro, was the "ideal" winner, Schäuble said. A "great man" was being honored, he added.

The man in question was none other than European Central Bank (ECB) President Mario Draghi, who just hours before had made one of the most keenly awaited announcements of the euro crisis. Speaking in Frankfurt on Thursday afternoon, Draghi confirmed that the ECB is to launch [a new bond-buying program](#) to hold interest rates on euro-zone sovereign bonds in check. The program, called Outright Monetary Transactions (OMTs), allows for unlimited ECB purchases of sovereign bonds on the secondary market. The program is to focus on bonds with a maturity of one to three years.

The decision was not uncontroversial. Jens Weidmann, head of the German central bank, the Bundesbank, and a prominent member of the ECB Governing Council, has been [vocally opposed](#) to restarting bond purchases. He was the only member of the ECB's 22-member Governing Council to vote against the decision on Thursday.

Some of the elements of the new program appear to be designed to [assuage German concerns](#). For example, the ECB will only assist countries that appeal for help to the euro bailout fund and submit to the required austerity conditions. Draghi also indicated that any bond purchases would be counteracted by measures to ensure that the money supply in the euro zone remains stable in order to avoid inflation, a top concern in Germany.

Turning On the Money Presses

The markets reacted to the announcement with euphoria. On Friday, the German DAX stock market index climbed to over 7,200 points, its highest level in 2012. Yields on Spanish and Italian sovereign bonds dropped, as well.

But the criticism of the ECB's course continued in Germany. Bundesbank President Weidmann reiterated his opposition to the move, saying it was too close to "state financing via the money presses." Alexander Dobrindt, general secretary of Bavaria's conservative Christian Social Union, said that the ECB must be "a stability bank and not an inflation bank".

Jörg Asmussen, a German member of the ECB's Executive Board, defended the decision, however. "We have no inflationary pressure," he said. "Everyone has to do their part to make the euro irreversible."

On Friday, German commentators expressed their considerable doubts about the plan.

The center-left **Süddeutsche Zeitung** writes:

"Rescuing the euro at any price could be an economic disaster -- that is the red line that must not be crossed. The other limit is the law: In a community based on law, the ends can never justify the means. A euro community that is based on constantly breaching treaties is built on a shaky foundation."

"On Thursday, the ECB unfortunately crossed both red lines. It did so reluctantly and not irrevocably, and yet it did so with determination. The purchase of government bonds by the central bank means that the ECB will

tolerate and even reward economic mismanagement. (...) The crisis countries are not out of the woods yet. And that means that if the ECB provides them with unlimited help, then it is financing unsound states. It can only do so by printing ever more money. Ultimately, there will be the threat of bubbles, crises and inflation. It will benefit speculators, and the vast majority of citizens will have to foot the bill."

"The ECB can still turn back. This is precisely why the persistent protests by Bundesbank President Weidmann are important. In the end -- and this is something Mario Draghi also knows -- the euro cannot be saved if Germany, the most important economy in Europe, doesn't want to play along. The ECB and the other parties who are in favor of an unconditional rescue should not drive the German people to the barricades in the interests of Europe. But they are close to doing just that."

The center-right **Frankfurter Allgemeine Zeitung** writes:

"Draghi has made it clear that, from now on, the ECB will only buy bonds when a crisis-hit country asks for help from the euro rescue fund or agrees to other conditions. But that promise isn't new. The would-be saviors of the euro have been insisting on structural reforms for years. The recipients of aid make promises but often do not keep them. But what will the ECB do if, say, Italy does not carry out the labor market reforms it has promised? Is it going to start selling Italian bonds? It can't if it takes its own argument seriously, that monetary policy in the euro zone no longer functions properly."

"The central bank is getting tangled up in its own arguments because it has allowed itself to become the prisoner of politics. Since it is willing to make up for the failures of European politicians, it can not quit the bond-purchasing program."

"The leaders of southern euro-zone countries should be happy: They can continue to borrow at low interest rates and do not need to worry about finding investors. But the northern leaders are satisfied, too, because they can hide behind the ECB and do not need to face uncomfortable questions in, say, the Bundestag (Germany's parliament) about all the additional risks that Germany is taking on. In the euro zone, there is no longer a distinction between monetary and fiscal policy."

The conservative **Die Welt** writes:

"Every time the politicians shout 'fire,' the ECB puts it out. (...) Thursday's decision by the Governing Board to buy as many government bonds as necessary, no matter what the cost, is a sad culmination of this policy. It's the ultimate politicization of a young central bank, which, according to its statutes and the EU's treaties, should be one of the world's most independent."

"With his reference to a possible breakup of the euro zone, Draghi tried to justify the fact that he is trampling all over the ECB's statutes. In doing so, he is doing the dirty work for governments, who can slow down the pace of reforms a bit now that they are being protected by the central bank. At the same time, the ECB will get clogged up with government bonds from the crisis countries."

"The dangers of this policy are enormous. At the moment, it's not inflation that is the big problem. Rather, it is the redistribution of wealth from the north to the south in a completely non-transparent way and without political legitimacy. (The money is flowing) from the savers to those who benefit from this irresponsible monetary policy. This is undemocratic and antisocial."

The **Financial Times Deutschland** writes:

"The fact that Draghi is conducting smart and rational central bank policies is demonstrated by his latest announcement of bond purchases. First, the Governing Council under his leadership -- with the exception, as was expected, of Jens Weidmann -- signaled that the central bank was not prepared to accept excessive interest rates on government bonds, no matter what the cost. At the same time, the central bank set the condition that the states in crisis would have to apply for assistance from the euro bailout fund, thereby having to subject themselves to reform requirements."

"But the financial markets and the indebted states can not actually be totally satisfied because Draghi is passing the buck for solving the crisis back to the politicians. Those politicians have to commit themselves to the rescue fund -- both in the countries in crisis and in the more stable countries. For example, the German Bundestag has to say whether it will approve a country's receiving aid from the rescue fund."

"Hence, it is not central bankers who will decide about the bond purchases -- meaning that they will no longer be the sole target for criticism. The members of national parliaments will also have to decide what they consider to be the greater evil: accepting a country into the bailout program, or risking the disintegration of the currency union."

The business daily **Handelsblatt** writes:

"The crisis has given the ECB Governing Council such an increase in power that no national government and no other European institution can hold a candle to them anymore. The Governing Council can at any time, with a majority vote, decide the fate of at least half a dozen governments, supporting them or bringing them down -- and that number is increasing."

"The opposite position -- often repeated by many in the banking industry, who have good reason to defend their ECB -- is that the ECB was forced to act because the governments were not doing their jobs. They are actually the ones responsible for saving the countries in crisis and the monetary union, but they are not doing so. Instead, they are relying on the ECB. There is something to that argument."

"But it is national constitutions, parliaments and citizens who are standing in the way of politicians. The simple and illegitimate solution is to outsource projects that are not feasible politically to institutions that are only subject to weak, if any, democratic control. And the alternative? That would be to respect constitutions and the will of the population."

The left-leaning **Die Tageszeitung** writes:

"The fuss in the German media and political circles over the decision was predictable, but that doesn't change the fact that Draghi's decision was the only correct one that can ensure the euro zone's survival."

"The ECB Governing Board, which doesn't exactly have a reputation for a nonchalant monetary policy, has decided on this step by a large majority. The head of Germany's Bundesbank, Jens Weidmann, may have voted against it -- but he has also now totally isolated himself."

"Weidmann has been exposed as an ideological hardliner who, without delay, would prefer to allow an economic catastrophe rather than soften his views, which are far removed from reality. He was maneuvered into the position as head of the Bundesbank as a minion of (German Chancellor Angela) Merkel. But he has failed to offer plausible alternatives for pulling out of the crisis even in major appearances in the run-up to the decision, such as his [recent interview](#) with SPIEGEL. As the intellectual successor to his predecessor Otmar Issing, Weidmann, together with his neo-liberal ideas, is one of the most dangerous men in Europe."

The left-leaning **Berliner Zeitung** writes:

"In the annals of the United States of Europe, Sept. 6, 2012 may go down together with ECB President Draghi as an important day. United States of Europe, you might be asking? Of course we still have a long way to go to reach that goal, but without Draghi's courage and farsightedness, the euro's days would be numbered and probably those of a united Europe, as well."

"With his new, unlimited bond-buying, Draghi isn't transforming national debts into European ones -- at least not directly. But he is acting on the view of the majority of experts that, in an acute crisis (like the current one), only the ECB can rescue the common currency. Why? Because we don't have a European Finance Ministry yet, and the euro bailout funds so far haven't been big enough to impress investors. Meanwhile, the national governments in the donor states are growing wary of having to explain to voters why they must provide ever-greater guarantees. Likewise, the ECB has the enormous advantage that it can print the money it needs for the

unlimited purchases on its own. It can defend against all speculative attacks and win because no investor has unlimited money."

"In rescuing the euro, politics has the first say -- it democratic legitimation is higher than that of the ECB. Second, this (decision) creates the nucleus of a common euro economic government. Third, the ECB has made exceedingly clear who is responsible for doing their homework -- namely, the national governments."

"In order to enter into the history books, you need the right point in time, the right strategy and the right answer to the crisis. It looks as though Mario Draghi may have achieved that feat."

-- *David Gordon Smith*

URL:

- <http://www.spiegel.de/international/europe/german-press-reactions-to-ecb-bond-purchase-program-of-mario-draghi-a-854566.html>

La cortisone du bon docteur Draghi

LE MONDE | 07.09.2012 à 14h07 • Mis à jour le 07.09.2012 à 14h53

Editorial

Pour être crédible, il fallait [passer](#) de la parole aux actes. Mario Draghi l'a fait, et il convient de le [saluer](#). Le président de la Banque centrale européenne (BCE) a décidé de [voler](#) au secours de l'euro.

Jeudi 6 septembre, après la réunion de son conseil des gouverneurs à Francfort, le banquier central italien a détaillé le plan esquissé en août, qui a permis d'[apaiser](#) la tempête. La banque centrale se dit prête à [acheter](#) sur les marchés de la dette des pays en difficulté - [Espagne](#), [Italie](#) -, pour [faire baisser](#) le loyer de l'argent.

Elle le fera de manière "illimitée". Ce mot est décisif : il n'est plus question de [constituer](#) une cagnotte, un fonds de secours qui s'épuiserait bien vite face à la spéculation des marchés. Il s'agit de [montrer](#) une détermination absolue. M. Draghi et son conseil se sont gardés de [fixer](#) des taux plafonds au-delà desquels la banque interviendrait. C'eût été [constituer](#) une ligne Maginot que les marchés auraient bien vite réussi à [transpercer](#).

"CONDITIONNALITÉ"

Le second mot décisif est "conditionnalité". La BCE n'interviendra que si les pays secourus ont fait appel préalablement aux mécanismes européens de solidarité, et se sont donc pliés aux exigences budgétaires et de [réforme](#) de leurs pairs. La BCE garde le cruel [souvenir](#) de l'été 2011, lorsqu'elle avait racheté la dette de l'Italie. Soulagé, le président du conseil italien, [Silvio Berlusconi](#), avait enterré immédiatement des promesses de réformes.

La satisfaction des marchés, qui ont salué la décision de la BCE, ne doit pas [masquer](#) les questions qui subsistent. Economiquement, l'intervention de Mario Draghi s'apparente à une bonne dose de cortisone. Elle calme la douleur provisoirement, ce qui est indispensable. Mais il convient de [poursuivre](#) le traitement.

Le traitement, c'est un effort de compétitivité et de réformes ainsi que la réduction déterminée des déficits publics. L'Italie de Mario Monti et l'Espagne de Mariano Rajoy s'y sont attelées avec de premiers succès, puisque leurs exportations redémarrent. Entourée de voisins qui se réforment tous dans la foulée de l'Allemagne, la France serait bien avisée de s'en inquiéter.

POLITIQUEMENT INTENABLE

Mais il conviendra un jour d'arrêter le traitement du docteur Draghi, car la situation devient politiquement intenable. Intenable pour les tenants de la ligne dure en Allemagne, représentés par le président de la Bundesbank, [Jens Weidmann](#). Ce dernier a voté contre la décision de la BCE. Il y voit une atteinte à l'indépendance de la banque. Inexorablement, celle-ci risque de se [trouver](#) contrainte d'[intervenir](#) pour [aider](#) les Etats qui auront accepté les programmes d'austérité exigés par leurs pairs. Au risque de [laisser](#) filer l'inflation.

Surtout, Mario Draghi s'est imposé comme le seul homme fort de l'Europe, l'ultime recours d'une zone euro à la dérive. C'est inacceptable pour l'équilibre démocratique du continent. La BCE est celle qui dicte la [politique](#) économique de l'Union, à son corps défendant. Les responsables politiques doivent [reprendre](#) la main.

The independent ECB is dead

7 September 2012

Presseurop

Die Welt, Süddeutsche Zeitung



[Rainer Hachfeld](#)

The debt buyback programme announced by Mario Draghi is a sign of the European Central Bank's subjection to political power, laments the German press, which is alarmed by this new shift in European monetary policy.

“A seawall has been breached”, announces the front page of Die Welt. With the announcement that it is ready to buy up the debt of financially distressed Eurozone states, the European Central Bank has demonstrated that it will now restrict its role to one in which it acts as a lifeguard, complains the conservative daily –



Every time the politicians cry “Fire!”, the central bank puts it out. Now it buys government bonds, now it plays the role of interim financier for a bankrupt Greece, because European governments and the International Monetary Fund are unable to decide whether they want to loan more money to the Mediterranean republic.

“But how can the ECB, withstand the pressure from governments and hold off from cranking up the money printing machine?” [wonders Die Welt](#), which expresses its sympathy with the traditional German concern for the independence of central banks in nation states and on the level of Europe –

WELT ONLINE

In referring to the possible collapse of the eurozone Draghi is trying to justify his trampling over the statutes of the ECB. That means he is doing the dirty work for the governments, which thanks to the backing of the central bank can again slow down the tempo of reforms. At the same time, the vaults of the ECB will be swamped with government bonds from the countries in crisis. [...] The dangers of this policy are enormous. Inflation is not the great problem of the moment. That problem is, rather, a completely non-transparent, politically illegitimate redistribution of wealth from North to South. And from those who save their money to those who profit from this irresponsible monetary policy. This is undemocratic and not in the best interests of society.

Süddeutsche Zeitung, which is usually more sympathetic to distressed countries appeals for flexibility, [announces that](#) the ECB is "rewarding economic mismanagement". The daily adds that a plan to buy-up

unlimited quantities of debt will inevitably mean that the central bank will "finance states that are by no means solid". Worse still, with declarations to the effect that he will do "whatever it takes" and that the euro is "irreversible", Mario Draghi has clearly exceeded his mandate –



Only the representatives of governments can make such declarations. It is intolerable that an institution which has no democratic legitimacy should decide on living conditions in Europe. [...] The ECB is emerging as the demonic dominatrix of Europe. It still has a chance to back down from this position, which is precisely the point of the persistent protests voiced by Bundesbank President Jens Weidmann. At the end of the day, Mario Draghi knows very well that the euro cannot be saved by going against Germany, which is the biggest economy in Europe. It is in Europe's interest that the ECB and other unconditional saviours of the euro avoid measures that will result in Germans mounting the barricades. They are close.

„Eine intensivmedizinische Maßnahme“

FAZ 07.09.2012 · Tabubruch oder letzter Ausweg? EZB-Präsident Draghi spaltet mit seinem neuen Ankaufsprogramm von Staatsanleihen die deutsche Politik. Der Wirtschaftsweisen Bofinger verteidigt den Ankauf als „intensivmedizinische Maßnahme“. CSU-Politiker Gauweiler fordert die Bundesregierung zu einer Klage auf.



© dapd

EZB-Präsident Mario Draghi

Der Wirtschaftsweisen Peter Bofinger „Eine intensivmedizinische Maßnahme“

Der Wirtschaftsweisen Peter Bofinger hat den geplanten unbegrenzten Ankauf von Staatsanleihen der Euro-Krisenländer als „intensivmedizinische Maßnahme“ verteidigt. „Die Anleihemärkte für Länder wie Italien und Spanien sind massiv gestört“, sagte Bofinger der „Passauer Neuen Presse“ (Freitag). „Die überhöhten Zinsen konterkarieren alle Anstrengungen, die diese Länder unternehmen, ihre Haushalte zu sanieren. Das ist gefährlich.“ Allerdings dürften die Anleihenkäufe nicht zum Dauerzustand werden. Eine Inflationsgefahr sieht das Mitglied im Sachverständigenrat der Bundesregierung nicht, weder im Euro-Raum noch in Deutschland. Der Haupttreiber für Inflation - steigende Löhne - komme derzeit für Europa gar nicht zur Geltung.

CSU-Politiker Peter Gauweiler „Diese Beschlüsse widersprechen dem Verbot der Staatsfinanzierung“

Der CSU-Politiker Peter Gauweiler hat die Bundesregierung zu rechtlichen Schritten gegen das Programm der Europäischen Zentralbank zum unbegrenzten Kauf von Staatsanleihen aufgefordert. „Diese Beschlüsse widersprechen dem in den Verträgen von Maastricht und Lissabon ausdrücklich festgelegten Verbot der Staatsfinanzierung“, sagte Gauweiler der „Augsburger Allgemeinen“ (Freitag). „Die Bundesregierung muss dagegen vor dem Europäischen Gerichtshof vorgehen, wenn ihre Kritik nicht in den Wind gesprochen sein soll.“ Der Eurokritiker, verwies darauf, dass nur die Bundesregierung rechtlich die Möglichkeit einer derartigen Nichtigkeitsklage gegen die Beschlüsse des EZB-Rats habe. Er warnte vor hohen Inflationsrisiken des Programms, das die EZB am Donnerstag zur Stützung von Euro-Krisenländern angekündigt hatte.

SPD-Haushaltsexperte Carsten Schneider „Keiner kontrolliert die Europäische Zentralbank“

Der haushaltspolitische Sprecher der SPD-Fraktion, Carsten Schneider, kritisierte im ZDF-„Morgenmagazin“ die mangelnde parlamentarische Kontrolle der geplanten EZB-Anleihenkäufe. Deutschland hafte mit 27

Prozent für einen ungedeckten Scheck, den die EZB ausgestellt habe. Ob die Zentralbank Anleihen aufkaufe und zu welchen Bedingungen, darauf habe das Parlament „keinerlei Einfluss“, sagte Schneider. „Die Machtarchitektur in der Europäischen Union ist komplett gedreht. Keiner kontrolliert die Europäische Zentralbank.“ Schneider warf Merkel vor, den Beschluss des EZB-Rates nicht verhindert zu haben. Wenn Merkel gesagt hätte, „sie akzeptiert nicht, dass die Deutschen letztendlich eine größere Haftung übernehmen, ohne dass der Bundestag entscheidet, dann würde die EZB das nicht tun“, unterstrich der SPD-Abgeordnete.

FDP-Politiker Jörg-Uwe Hahn

„Draghi bastelt an einer gigantischen Finanzblase“

„EZB-Chef Mario Draghi bastelt an einer gigantischen Finanzblase in Europa und bringt somit den Euro als Ganzes in Gefahr“, sagte Jörg-Uwe Hahn „Handelsblatt Online“. Es sei daher Zeit, eine „finanzpolitische Brandmauer“ einzuziehen. „Ich fordere die Bundesregierung auf, schon aus Gründen der Rechtsklarheit, eine Klage gegen die Entscheidung der EZB beim EUGH einzulegen.“ Ansonsten werde die Entwicklung „denjenigen überlassen, die gerade mehr oder weniger zufällig an den exekutiven Schaltstellen Europas sitzen.“

Finanzminister Wolfgang Schäuble

„Autonomie der Notenbank“

Finanzminister Wolfgang Schäuble hat die Unabhängigkeit der EZB in Zeiten der Schuldenkrise als hohes Gut gewürdigt. „Wir haben die Autonomie der Notenbank, damit den Politikern der bequeme Weg über die Banknotenpresse verwehrt bleibt“, sagte Schäuble am Donnerstagabend in Potsdam bei der Verleihung des „M100“-Medienpreises an EZB-Präsident Mario Draghi. Der EZB-Chef wurde nach Angaben der Initiatoren für sein Engagement ausgezeichnet, den Euro zu stabilisieren „und mit allen Mitteln dafür zu kämpfen, das Europäische Haus zusammenhalten“. Schäuble nannte Draghi einen idealen Preisträger. Damit werde ein Großer geehrt.

EZB-Direktoriumsmitglied Jörg Asmussen

„Wir sehen keinen Inflationsdruck“

Jörg Asmussen hat das Anleihe-Kaufprogramm der Europäischen Zentralbank. Wichtig sei, dass Rahmenbedingungen für mögliche Anleihekäufe klar definiert worden seien, sagte Asmussen am Freitag im Info-Radio des rbb. „Sie werden nur stattfinden können, wenn der betroffene Staat sich harten Reformauflagen unterwirft. Das ist eine zwingende, eine notwendige Voraussetzung für unser Handeln.“ Das sei das entscheidende Merkmal des EZB-Anleihe-Programms. Es dürfe nicht dazu führen, der der Reformdruck auf die betroffenen Staaten nachlasse. Die Gefahr höherer Inflation sehe er nicht. Die EZB werde im Gegenzug auch Liquidität abschöpfen. „Wir sehen keinen Inflationsdruck“. Die Inflation werde im nächsten Jahr unter zwei Prozent liegen.

FDP-Politiker Frank Schäffler

„Die EZB wird zur 'Bad Bank'“

„Die EZB wird zur „Bad Bank“ aller Schrottpapiere“ sagte Frank Schäffler im Deutschlandradio Kultur: Länder, die Risiken eingegangen seien, müssten dafür auch gerade stehen und dürften nicht die Sparer in Haftung nehmen. Mit der EZB-Entscheidung sei europäisches Recht gebrochen worden, indem die Notenbank zur Staatsfinanzierung missbraucht werde.

CDU-Haushaltsexperte Klaus-Peter Willsch

„Wir brauchen als größter Gläubiger ein Vetorecht“

Der CDU-Haushaltsexperte und Kritiker des Eurokurses der Bundesregierung, Klaus-Peter Willsch, setzt sich für ein deutsches Vetorecht in der EZB ein. Willsch sagte am Freitag im Deutschlandfunk: „Wir brauchen als größter Gläubiger im Spiel ein Vetorecht.“ Der CDU-Politiker forderte angesichts der beschlossenen unbegrenzten Ankäufe von Staatsanleihen durch die EZB eine Klage vor dem Europäischen Gerichtshof. Es müsse rechtlich überprüft werden, „ob die EZB ihr Mandat nicht überschreitet“. Es könne nicht sein, dass Deutschland immer für das „haftet, was alles schief gehen kann“. Er fügte hinzu: „Wir können uns das nicht bieten lassen.“ Willsch gilt als einer der schärfsten Kritiker innerhalb der Unions-Bundestagsfraktion am Eurokurs der Bundesregierung. Unter anderem votierte er im Parlament gegen die Einrichtung des Rettungsschirms ESM.

EU-Währungskommissar Olli Rehn

„Dies sollte helfen, das Vertrauen der Investoren wiederherzustellen“

Die EU-Kommission begrüßte die Entscheidung der EZB. „Dies sollte helfen, das Vertrauen der Investoren wiederherzustellen“, sagte EU-Währungskommissar Olli Rehn. Zugleich werde das Funktionieren des Geldmarktes verbessert. Dies alles geschehe im Rahmen des Mandats der Notenbank und „unter Wahrung ihrer „vollen Unabhängigkeit“.

OECD-Chef Angel Gurría

„Spanien verdient die Unterstützung seiner Brüder und Schwestern in der EU“

Die Organisation für wirtschaftliche Zusammenarbeit und Entwicklung (OECD) hat die EZB indirekt aufgefordert, spanische Staatsanleihen aufzukaufen. Die spanische Regierung habe sehr harte und schwierige Entscheidungen getroffen, aber die Märkte hätten dies noch nicht gebührend anerkannt, sagte der OECD-Generalsekretär Angel Gurría am Mittwoch dem staatlichen spanischen Rundfunk: „Spanien verdient bei der Stabilisierung seiner Zinssätze auf den Anleihemärkten die Unterstützung seiner Brüder und Schwestern in der EU“, betonte Gurría. Die EZB habe legitime Gründe zu einer Intervention auf den Märkten. Der Mexikaner hatte die Europäer schon mehrfach in deutlichen Worten aufgefordert, energisch gegen die Schuldenkrise in einigen Euroländern und Ansteckungsgefahren vorzugehen. Gurría sagte, er mache sich keine Sorgen, dass der ständige Euro-Rettungsfonds ESM vom Bundesverfassungsgericht in Karlsruhe gekippt werde. „Ich hoffe, dass es eine positive Entscheidung geben wird“, sagte er mit Blick auf das anstehende Urteil am 12. September.

DGB- Vorsitzender Michael Sommer

„Eine Notmaßnahme“

Die Entscheidung der Europäischen Zentralbank (EZB) zum unbegrenzten Anleihenkauf von Schuldenstaaten reicht nach Auffassung der Gewerkschaften nicht aus. Der Vorsitzende des Deutschen Gewerkschaftsbundes (DGB), Michael Sommer, sagte am Freitag im Deutschlandfunk, dies sei lediglich eine „Notmaßnahme“. Erforderlich seien aber „klare Schnitte“. Der „klarste Schnitt“ wäre aus seiner Sicht, die Staatsfinanzierung in der Krise unter harten Auflagen direkt über den ESM-Rettungsschirm laufen zu lassen. Sommer erläuterte, damit werde den Spekulationen gegen einzelne Staaten der Boden entzogen. „In dem Moment, wo die Spekulanten merken, ihre Erpressungsmaßnahmen und ihre Manöver laufen nicht mehr und sie können sich nicht mehr bedienen, in dem Moment werden wir die Krise stoppen können, vorher nicht.“

Draghi saves the single currency

7 September 2012

[El País](#) Madrid



[Burki](#)

In announcing that the ECB will buy up the debt of countries in distress, Mario Draghi is compensating yet again for the inaction of European leaders. And he is standing up again as the one who is changing the rules of the game – exactly what we needed, rejoices El País.

[Santiago Carbó Valverde](#)



The argument has been underway for quite some time now that the sole solution for the eurozone is to win a balance between those who demand uncompromising fiscal discipline and those seeking community backing or guarantees for their unsecured debt. More than three years on, the European bureaucracy has proved incapable of coming up with solutions to make that balance possible.

Meanwhile, the European Central Bank (ECB) has taken on some controversial work as an emergency liquidity provider for the most stressful market situations. However, each time the ECB carried out an extraordinary liquidity operation, European economic governance apparently won time to look for new solutions – yet, again and again, slumped into inaction and lethargy. This wearying dynamic has been replayed many times, threatening the very stability of the single currency. Then came Mario Draghi. And he changed the rules of the game.

Game changer

At first the ECB president took great pains to clarify that if the liquidity facilities were needed he would push them along like no one else, and, in fact, in December 2011 and February 2012 launched two programs of long-term refinancing of singular importance. And when it was revealed that the leaders in Europe were not responding in comparable scope, the ECB began to alter the discourse. In spring, but mostly over the summer,

the European monetary authority imposed a few rules that would change this ineffective European economic governance.

On one hand, there were many reminders that the responsibility for correcting the debt crisis and finding that desired balance between fiscal compromises and financial solidarity could not rest with the monetary authority. On the other hand, in the end the ECB made an astute step forwards by imposing on the eurozone an agenda that the eurozone leaders proved reluctant to assume.

Draghi gave the best example this summer, and in doing so became the genuine creator of new rules of the game – the game changer that the euro needed. Thursday's gamble by the ECB was a risky one, but it was more coherent than many are ready to take on. Some still recall, for example, that at the start of the summer Draghi declared that he would do whatever it would take to save the euro.

The reality is that he did it because it forced some to accept the necessary conditionality – for Spain, that will be a new bail-out – and others to accept that without financial solidarity there will be no future for anyone within the eurozone. The title of the debt purchase program – Outright Monetary Transactions – is sufficiently illustrative. It has laid the foundation of what seemed to be the impossible understanding between North and South in the eurozone. In advance the ECB has launched "unlimited" or "outright" aid, which should not be scorned.

Credible ratification of the euro

The ECB has, moreover, remained cautious from the monetary point of view as it seeks to sterilise the purchases it carries out to prevent them from being converted into a simple debt monetisation. That move, rather, is about establishing aid in return for conditionality – something that simple, which they have been looking for many months with no success. Because the exchange is clear – a precautionary or supposedly "soft" bailout, probably with tougher conditions than realised in Spain, but far from what it was for Ireland or Greece – it's a step towards a more hopeful future.

With the steps that have been laid down, the initial outcome, if things are done right, will be a credible ratification of the euro and, on the other hand, a likely reduction in financing costs for vulnerable countries – conditions that are necessary but insufficient for investor confidence to return to countries like Spain. All this may happen if the opportunity given is not wasted.

And that applies to Spain, which will have to request the bailout with appropriate responsibility. This is no trivial matter, because our country will find itself through no will of its own in that cement that the euro needs, not least because speculators believe that the fabric of the currency will start to tear beginning in the south. Then will follow Italy, which will not escape from this and will have to respond.

The end is far ahead. Though it may seem optimistic, nonetheless, it may be the beginning of the end of the agony.

From Italy

Draghi's courage



[For *Il Sole 24 Ore*](#), which has been campaigning for intervention along the lines of the ECB initiative announced on 6 September, no praise is too great for the central bank's president Mario Draghi, who has "shown that he has the courage to be independent" and to honour his pledge to do "whatever it takes to save the euro" –

The master technician in Frankfurt has done his duty and demonstrated a rare independence and political courage, which, in a time of crisis marked by the demands of a constant stream of elections, is hard to find in Europe. Draghi has not hesitated to defy open opposition from the Bundesbank and, worse still, German public opinion. [...] Not only has he patched over the errors that have resulted from three years of inadequate and divisive European policy which brought the euro to the brink of disaster, but he has also laid a fresh foundation that will stabilise the structure of the single currency and provide it with a coherent and credible future.

"Now is the time for governments to respond", writes the business daily, which argues that those who feared that the ECB safety net would be incentive for laxism should be reassured by the condition requiring the intervention of the European Financial Stability. On the contrary, this measure may have the effect of "accelerating the implementation of reforms and adjustments to public finances, which will enable national administrations to avoid submission to a European tutelage that is unacceptable to public opinion".

Rettung oder Ruin?

FAZ 07.09.2012 · Wer die Währungsunion retten will, steht vor einer unaufhebbaren Asymmetrie: Die Märkte wollen schnelle Entscheidungen, der politische Prozess kommt nur langsam voran. Die EZB hat der Politik nun Zeit gekauft: Ob sie sie nutzen wird, ist zweifelhaft.

Von [Günther Nonnenmacher](#)

Die Reaktionen auf die Entscheidung der EZB zum unbeschränkten Ankauf von Staatsanleihen fielen aus wie erwartet: Wo die einen - vor allem die Südländer, aber auch die EU-Kommission - einen Befreiungsschlag feiern, droht nach Ansicht der anderen - vor allem der Bundesbank - der Absturz in die Schuldenunion. Dabei hat die EZB ziemlich genau so entschieden wie erwartet. Ihr Beschluss ergibt sich aus einer Grundsatzentscheidung der Politik: Die Währungsunion muss gerettet werden. Wer diese Aufgabe lösen will, steht allerdings vor einer unaufhebbaren Asymmetrie: Die ungeduligen Märkte wollen schnelle Entscheidungen, der politische Prozess kommt dagegen nur langsam voran. Das gilt sowohl für die nationalen Reformprogramme zu Schuldenabbau und Wiedergewinnung der Wettbewerbsfähigkeit als auch für die europäischen Bemühungen zur Koordinierung der nationalen Finanz- und Wirtschaftspolitiken. Vereinfacht gesagt: Die EZB ist eingesprungen, weil die Politik ihre Hausaufgaben nicht schnell genug erledigen konnte.

Das bedeutet, dass die EZB den Regierungen der Eurozone - wieder einmal - Zeit gekauft hat. Die Zweifel setzen denn auch bei der Frage ein, ob die Politiker diese Zeit wirklich nutzen. Das gilt wiederum für die nationale wie die europäische Ebene. Zwar hat die Zentralbank ihr Ankaufprogramm mit Konditionen versehen. Aber wird sie auf deren Einhaltung konsequent bestehen, wenn - beispielsweise - Italien oder Spanien die Auflagen nicht oder nur teilweise erfüllen? Wird die Sauerstoffzufuhr in Gestalt niedriger Zinsen genutzt werden, um den Reformprozess konsequent voranzutreiben, oder werden sich die Regierenden, wenn der Druck nachlässt, wieder zurücklehnen und ihren diversen Interessengruppen - von den Gewerkschaften bis zur Finanzlobby - Zugeständnisse machen?

Noch komplizierter ist der Prozess auf europäischer Ebene. Die Vereinbarungen zu Schuldenbremsen und Koordinierung der Haushaltspolitik stehen vorerst nur auf dem Papier. In vielen Euro-Staaten ist dem Publikum noch gar nicht klar, dass damit massive Einschränkungen nationaler Souveränität und demokratischer Verfahren verbunden sind. Die EZB ist jetzt in Vorleistung gegangen; ob das zur Rettung oder zum Ruin führt, steht nun in der Verantwortung der Politik.

Quelle: F.A.Z.

07. September 2012, 07:28 Uhr

Verfassungsklage gegen ESM

Mehrheit der Deutschen hofft auf Sieg der Euro-Gegner



Für die Regierung ist es ein Schreckensszenario, doch die Mehrheit der Bürger hofft darauf: Laut einer Umfrage wünschen sich 54 Prozent der Deutschen, dass das Bundesverfassungsgericht den Euro-Rettungsschirm ESM stoppt.

Berlin - Die Europäische Zentralbank hat ihre Strategie in der Euro-Krise verkündet, nun warten Notenbanker und Politiker gespannt auf die Entscheidung des Bundesverfassungsgerichts. Es wird am kommenden Mittwoch über eine Klage gegen den Euro-Rettungsschirm ESM entschieden. Die Mehrheit der Deutschen hofft laut einer Umfrage darauf, dass die Kläger recht bekommen und die Richter in Karlsruhe den dauerhaften Rettungsfonds ESM ablehnen. 54 Prozent wollen demnach, dass die Entscheidungen des Bundestags zu ESM und Fiskalpakt noch einmal rechtlich überprüft werden.

Nur 25 Prozent sind der Meinung, dass das Gericht die Eilanträge der Euro-Skeptiker abweisen sollte. Für die Erhebung befragte das Institut YouGov im Auftrag der Nachrichtenagentur dpa zwischen dem 3. und dem 5. September mehr als tausend Bürger.

Demnach herrscht in der deutschen Bevölkerung eine skeptische Grundstimmung gegen die EU. 53 Prozent sind laut der Umfrage dagegen, der EU mehr Kompetenzen zu übertragen. Nur 27 Prozent sind dafür. Immerhin 42 Prozent würden ein Ausscheiden Griechenlands aus der [Euro-Zone](#) begrüßen. 30 Prozent fänden das nicht gut. 56 Prozent machen sich Sorgen vor einem Auseinanderbrechen der Euro-Zone insgesamt.

Urteil der Verfassungsrichter könnte schwerwiegende Folgen haben

Um eine Eskalation der Euro-Krise zu verhindern, [hat die EZB den unbegrenzten Aufkauf von Staatsanleihen kriselnder Euro-Länder beschlossen](#). Damit will die Notenbank die Zinslast für die betroffenen Staaten drücken. Zugleich sollen die Länder Reform- und Sparzusagen machen.

Ob die EZB ihr Anleiheprogramm durchziehen kann, hängt allerdings vom Bundesverfassungsgericht ab. Würde es am kommenden Mittwoch den Eilanträgen gegen die Bundestagsbeschlüsse zum ESM und zum Fiskalpakt stattgeben, müssten die Euro-Retter ihre Strategie neu sortieren.

Bundespräsident Joachim Gauck könnte die entsprechenden Gesetze nicht unterschreiben. Fiskalpakt und ESM würden in der Euro-Zone insgesamt nicht in Kraft treten. Die schwarz-gelbe Bundesregierung hofft auf eine Abweisung der Klage.

Das Anleiheprogramm der EZB [ist enorm umstritten](#). Kritiker fürchten Inflation und [werfen der Notenbank vor](#), sie betreibe Staatsfinanzierung. Dies ist der EZB laut den europäischen Verträgen verboten.

Wirtschaftsweiser verteidigt Strategie der EZB

Der Wirtschaftsweisen Peter Bofinger verteidigte den geplanten unbegrenzten Ankauf von Staatsanleihen der Euro-Krisenländer als "intensivmedizinische Maßnahme". "Die Anleihemärkte für Länder wie Italien und Spanien sind massiv gestört", sagte Bofinger der "Passauer Neuen Presse". "Die überhöhten Zinsen konterkarieren alle Anstrengungen, die diese Länder unternehmen, ihre Haushalte zu sanieren. Das ist gefährlich." Allerdings dürften die Anleihekäufe nicht zum Dauerzustand werden.

Bofinger ist Mitglied im Sachverständigenrat der Bundesregierung. Das Risiko einer Geldentwertung sehe er aktuell weder im Euro-Raum noch in Deutschland, sagte der Ökonom. Der Haupttreiber für Inflation - steigende Löhne - komme derzeit für Europa gar nicht zur Geltung.

Andere dagegen kritisieren das Vorgehen der EZB scharf. Der CSU-Politiker Peter Gauweiler, der auch die Klage gegen den ESM mit initiiert hat, bringt gar rechtliche Schritte gegen das Programm der Notenbank ins Spiel. "Diese Beschlüsse widersprechen dem in den Verträgen von Maastricht und Lissabon ausdrücklich festgelegten Verbot der Staatsfinanzierung", sagte Gauweiler der "Augsburger Allgemeinen". "Die Bundesregierung muss dagegen vor dem Europäischen Gerichtshof vorgehen, wenn ihre Kritik nicht in den Wind gesprochen sein soll." Nur die Regierung habe rechtlich die Möglichkeit einer derartigen Nichtigkeitsklage gegen die Beschlüsse des EZB-Rats, sagte Euro-Kritiker Gauweiler.

Während sich [Bundeskanzlerin Angela Merkel verhalten und andere Politiker kritisch zur Entscheidung der Notenbank äußerten](#), sorgte die EZB-Strategie an den internationalen Finanzmärkten für gute Stimmung. An den Anleihemärkten gingen die Risikoaufschläge für Staatspapiere der Krisenländer stark zurück. Der Dax [schloss am Donnerstag deutlich im Plus](#) und auch an der Wallstreet und in Tokio stiegen die Kurse deutlich. Der Dow-Jones-Index stieg zwischenzeitlich auf den höchsten Stand seit Dezember 2007.

mmq/dpa

Events as early as next week could challenge the assumption that time is on the euro zone's side

The Economist Sep 8th 2012 | from the print edition



AT LEAST August was quiet. Thanks to Mario Draghi, chief of the European Central Bank (ECB), euro-zone policymakers got some badly needed R&R. His promise in July to “do whatever it takes” to protect the euro from speculation was enough to persuade traders to pack their bags and head for the Riviera. Yet the euro zone now looks woefully behind in its mission to save the single currency. That is partly because a rescue is genuinely complicated. But it is also because too many people think that time is on their side.

Just now, sluggishness may seem like an odd accusation. The next month will contain a summer's worth of news. As we went to press, Mr Draghi was to put flesh on his pledge to limit the cost of medium-term borrowing by governments (and hence companies). On September 12th Germany's senior court will rule on whether a euro-zone rescue fund is constitutional. The same day the Dutch will vote and the European Commission will unveil its thoughts on a Europe-wide banking supervisor—a step towards a banking union. Within weeks the troika that has just arrived in Athens will report back on whether to give Greece its next slug of rescue money. And all the while, a restless succession of meetings will continue as leaders prepare for a big summit in October.

But, measured against what needs to be done, this is inadequate. Even if the ECB successfully intervenes, the euro zone's politicians must ultimately determine the euro's fate. Although work on a banking union has begun, they are many months away from actually setting one up. Leaders increasingly recognise the dangers of excessive austerity, but they still routinely demand harsh budgets as a token of merit. The debate about mutualising some government debt, which this newspaper thinks essential to restoring confidence, has barely begun. The vague German demand to shift political power to federal Brussels has hardly been broached in France.

Some euro-zone leaders think that is fine. With time, the reform under way in the euro zone's troubled economies will bear fruit. If sceptical politicians and voters have a chance to contemplate the ruinous alternative of a euro break-up, they will come round to mutualisation and federation, just as they have put up with bigger transfers of money and sovereignty than ever seemed possible at the outset of the crisis two years ago. In the end, self-interest and good sense will win out.

Onward and downward

In fact, time may be working against the euro. Uncertainty and austerity are deepening Europe's economic plight. The euro zone looks to be back in recession. Unemployment is at a record high. Surveys of consumers and business activity make dismal reading—and the malaise has spread to Germany. Prolonged economic stagnation will make it more expensive to keep the euro together—and poison the politics of a rescue.

Any of next week's events could throw up another barrier. Germany's court ruling against the bail-out fund would be the most dramatic. But the Dutch vote could further tie the hands of its politicians (see [article](#)), and the banking-union talks could spark a row over regulation (see [Charlemagne](#)). **Far from bringing countries together, the crisis is tugging them apart.**

To stop the rot, France and Germany, still at the heart of Europe, need to settle on a rescue and prepare their parties and their peoples to accept it. Nothing will happen without that. **It means grappling with the sort of federalism that statist France has always rejected. It means Germany accepting some debt mutualisation.** Nobody said this would be easy. But if Angela Merkel and François Hollande just wait for time to do their job for them, they will lose control of their fate.

European Bond-Buying Plan May Not End Debt Crisis

[All Things Considered](#) [4 min 23 sec]

September 6, 2012

Robert Siegel speaks with economist Ken Rogoff of Harvard University about the European Central Bank's announcement that it will buy some government bonds from eurozone countries to help resolve the ongoing debt crisis.

Copyright © 2012 National Public Radio.

ROBERT SIEGEL, HOST:

This move by the European Central Bank is complicated stuff, and we've asked economist Kenneth Rogoff to help explain it a bit further. He's professor of economics at Harvard and former chief economist at the International Monetary Fund.

Welcome back to the program.

KENNETH ROGOFF: Thank you.

SIEGEL: And the first question: In general, is this another incremental, stopgap measure to hold the eurozone together? Or is the European Central Bank and Mario Draghi, are they announcing a game-changer here?

ROGOFF: Oh, this is a big one, Robert. There's no question about it. The European Central Bank is the one pan-European institution that has the power to do unlimited check-writing. And if they say that they're going to help back the Italian and Spanish governments, it's a big deal.

But I wouldn't quite say it's a complete end to the euro crisis because at the end of the day, those governments still have to be able to pay their debts or someone will have to bail out the European Central Bank.

SIEGEL: Well, if the European Central Bank buys up high-interest bonds that reflect the high borrowing costs of Spain and Italy, costs which were caused by those countries' shaky finances, who would actually end up paying the difference? Who would pay the cost of unburdening Spain and Italy of those high interest rates?

ROGOFF: Part of the cost just goes into thin air, because if people gain confidence that the euro's going to stay together - Spain and Italy won't be forced out, that they won't default - they won't demand the same premia, and the whole eurozone governments will save money. We could see Germany's borrowing costs creep up. Germany has been getting very low interest rates, and maybe people say, hmm, who's going to end up paying for Spain and Italy? It's going to be Germany. Nobody really knows, and it's a key gamble by Mario Draghi that mostly this is a win-win, and not just Germany transferring money to the impecuniary southern countries.

SIEGEL: What about this question that Jim Zarroli raised, which is: What exactly is the role of the European Central Bank? Because unlike the Fed, it doesn't have a mission to keep unemployment low, for example, which our central bank has. Is it really up to the task in terms of what it's chartered to do?

ROGOFF: Well, they're allowed to do lots of things in the name of maintaining financial stability, because if financial stability blows up, then you'll get price instability, maybe deflation, prices going down, maybe inflation, prices going up. And I think Mario Draghi's appealing to that. He said, look, if something comes to destabilize the situation, you're not going to get stable prices. So we've got to get it under control.

Yes, it involves radical measures, but there's no other choice. It's a bit of legalese. The real game here has been that the Germans - Chancellor Merkel in particular - has sort of said, go ahead, I don't see another way to do this. Yes, the Bundesbank, the German Central Bank has been protesting, but they must have the support of the Germans to do this, because if Germany didn't support it, they could threaten to pull out and then the whole thing would melt down.

SIEGEL: Draghi and the European Central Bank here are addressing the problems of the debtors, I guess. But does there come a point sometime in the coming months when the creditors of these countries take a hit and say, look, in order for Europe to continue and for you to continue to prosper doing business in the continent, you'll have to mark down some loans for these people.

ROGOFF: Well, I think everyone outside of Europe would like to see that. They'd like to say, look, you can't just tell the people in Spain and Italy, Ireland that they have to be in recession forever, that they keep having to tighten their belts. We have seen years of recessions in these countries, the forecast for more years of recession. And at some point, that has to come to an end.

And you're absolutely right. The way would be to just write down the debts. But politically, it's very difficult - particularly for the Germans - to admit that. So they play this game of, well, you know, here's more money. Maybe you'll pay me. When we finally get to an endgame to this, we'll really see some write-downs, some forgiveness. We're nowhere near that yet.

SIEGEL: Ken Rogoff, thank you very much for talking with us once again.

ROGOFF: My pleasure.

SIEGEL: That's economist Kenneth Rogoff of Harvard University.

Copyright © 2012 National Public Radio. All rights reserved. No quotes from the materials contained herein may be used in any media without attribution to National Public Radio. This transcript is provided for personal, noncommercial use only, pursuant to our Terms of Use. Any other use requires NPR's prior permission. Visit our permissions page for further information.

NPR transcripts are created on a rush deadline by a contractor for NPR, and accuracy and availability may vary. This text may not be in its final form and may be updated or revised in the future. Please be aware that the authoritative record of NPR's programming is the audio.

Mario Draghi et la BCE volent au secours de la zone euro

Par [Alexandrine Bouilhet](#) Mis à jour le 06/09/2012 à 20:19 | publié le 06/09/2012 à 19:06 [Réactions](#) (16)



Mario Draghi, président de la Banque centrale européenne. Crédits photo : ALEX DOMANSKI/REUTERS

L'institution monétaire a annoncé un rachat illimité de dettes de la zone euro. Mais les conditions fixées sont si sévères qu'elles risquent de décourager l'Espagne et l'Italie.

Malgré une pression folle, [Mario Draghi](#), le président de la Banque centrale européenne ([BCE](#)), n'a pas déçu les marchés. Dédaignant les taux d'intérêt laissés inchangés à 0,75%, «Super Mario» a détaillé le programme de rachat «illimité» de dettes d'État en faveur de [l'Espagne](#) et de [l'Italie](#), validé par le Conseil des gouverneurs. Seul le banquier central allemand a voté contre. Mais le «faucon» [Jens Weidmann](#) avait annoncé la couleur depuis deux mois. Son objection n'est pas allée jusqu'à la démission, ce qui aurait eu l'effet d'un coup de tonnerre à Francfort.

Inédite car «illimitée» a priori, la décision de la BCE a fait bondir les Bourses européennes. La place de Madrid s'est envolée de 4,9%; Milan a bondi de 4,3%, alors que le CAC 40 a gagné plus de 3%, dépassant la barre 3500 points. Les valeurs bancaires ont profité des annonces faites à Francfort, sources de soulagement pour leurs bilans chargés d'obligations d'État.

«C'est le spectre d'une explosion de la [zone euro](#) qui s'éloigne, ce n'est pas rien!», souligne le stratégame londonien [Nicholas Spiro](#). «C'est un peu comme si on avait évité la fin du monde...», résume avec humour [Laurence Boone](#), économiste chez Merrill Lynch-Bank of America.

«Si l'Espagne tergiverse, la tension repartira»

La réaction des marchés obligataires est tout aussi spectaculaire. Les coûts d'emprunt de l'Espagne se sont effondrés à 5,9%; ceux de l'Italie ont baissé à 5,3%. Mais la tendance risque de ne pas durer. «C'est une réaction temporaire, liée à des prises de bénéfice», estime Laurence Boone, «les marchés vont réaliser que cette baisse de taux dissuade l'Espagne de demander l'aide de l'Europe, et ils peuvent se retourner très vite».

Un avis partagé par [Gilles Moec](#) de Deutsche Bank: «Si les taux espagnols et italiens baissent c'est parce que les marchés ont la quasi certitude qu'ils feront appel à l'aide européenne. Si l'Espagne tergiverse, la tension repartira», assure-t-il. «Dans tous les cas, la BCE a les instruments pour contraindre l'Espagne à demander l'aide en arrêtant le refinancement de ses banques» explique-t-il.

Très attendu par les marchés, le programme de la BCE ne sera déclenché qu'après une demande d'aide formelle de l'Espagne et de l'Italie, auprès de l'Eurogroupe. La BCE agira conjointement sur les marchés avec le Fonds de sauvetage européen ([FESF](#) ou [MES](#)).

Carcan de réformes macroéconomiques

Aussi bienveillant soit-il à l'égard de l'Europe du Sud, «Super Mario» n'a pas manqué d'insister sur la «conditionnalité» du programme d'achat de dettes d'État par la BCE, qui impliquera non seulement la rigueur budgétaire mais un carcan de réformes macroéconomiques. Le président de la BCE a plaidé en faveur d'une implication forte du Fonds monétaire international ([FMI](#)) dans la surveillance des réformes. Jamais le banquier

central n'avait été si strict sur les conditions. «Dans ce contexte, l'Espagne, et l'Italie vont avoir peur de demander l'aide, ce qui risque de compromettre l'efficacité du plan Draghi» pronostique Nicholas Spiro.

Si la BCE est si raide sur les conditions de rachat de dettes - qui n'existaient pas sous Trichet-, c'est en raison des fortes pressions allemandes. Les réticences du patron de la Bundesbank ont trouvé des échos parmi les députés du Bundestag. Dans la presse allemande, le débat sur la «lirisation» de la zone euro, ou sur la «cabale du sud» est reparti de plus belle. D'après un dernier sondage, paru dans *Stern*, 42% des Allemands ne font pas confiance à Mario Draghi.

Une critique à laquelle le banquier central italien n'est pas insensible. «Il y a une caricature en Allemagne sur la façon dont nous travaillons» a répliqué Mario Draghi. «Si l'action de la BCE maintient la stabilité des prix, la confiance reviendra. Je ne suis là que depuis un an à peine...»

Draghi druckt

Der Chef der Europäischen Zentralbank kündigt den unbegrenzten Ankauf von Staatsanleihen an – und nimmt dennoch Rücksicht auf Deutschland.

- **Die Zeit** Von: [Philip Faigle](#) 06.09.2012 - 16:31 Uhr



EZB-Chef Mario Draghi

Der Mann, der Europas Krise endlich beenden will, betritt den Pressesaal der Europäischen Zentralbank (EZB) durch die Seitentür. Es ist Donnerstagnachmittag halb drei, die Zeit, zu der Mario Draghi, der Chef der Bank, seit bald einem Jahr regelmäßig vor die Presse tritt. Draghi teilt der Öffentlichkeit auf diesen Konferenzen mit, was die Mitglieder des Zentralbankrats beschlossen haben. Manchmal sagt er, dass die Zinsen in der Euro-Zone steigen oder sinken werden, oft deutet er einen Zinssprung nur an. Meistens sagt er, dass alles beim Alten bleibt.

An diesem Donnerstag rückt Draghi sein Jackett zurecht, beugt sich zum Mikrofon und liest die Wirtschaftsprognosen seiner Fachleute vor. Dann verkündet er den Tabubruch. [Draghi sagt](#): "Wir werden bald ein absolut effektives Sicherheitsnetz haben."

Konkret bedeutet das: Die EZB wird Banken, Versicherungen und anderen Anlegern spanische und italienische Staatspapiere abkaufen. Nicht zeitlich begrenzt, wie bei den vergangenen Malen, sondern ohne Limit. Weil so die Nachfrage nach den Schuldpapieren steigt, dürfte der Wertverfall der Anleihen stoppen, die Zinsen dürften sinken. So ist das bei Staatsanleihen: Wenn die Kurse steigen, sinken die Renditen. Die Regierungen in Madrid und Rom müssen dann weniger Zinsen für neue Schulden zahlen und haben mehr Geld übrig, um Schulden zu tilgen.

Entscheidung fiel nicht einstimmig

Das ist der Plan, auf den Anleger seit Wochen gewartet haben, seit Draghi Ende Juli in London verkündet hatte, er werde alles tun, um den Euro zu retten. Die EZB wird Geld drucken. Die Politiker in Madrid, Rom und Athen haben zwar in ihren Ländern die Ausgaben gekürzt und die Steuern erhöht, aber am Ende reichte das alles nicht, um keine neuen Schulden machen zu müssen und die nervösen Anleger davon abzuhalten, auf ein Auseinanderbrechen des Euro zu wetten. Jetzt kommt das Geld nicht vom Kapitalmarkt und auch nicht von den Steuerzahlern. Es kommt aus der Notenpresse der Zentralbank.

Draghi weiß, dass dieser Plan viele Kritiker hat, vor allem in Deutschland. Der ehemalige EZB-Direktor Jürgen Stark ist wegen der Anleihe-Käufe bereits zurückgetreten, auch der deutsche Bundesbank-Chef [Jens Weidmann](#) ist ein erbitterter Kritiker. Die Entscheidung im EZB-Rat ist nicht einstimmig gefallen, es gab eine Gegenstimme. Es bedarf nicht viel Fantasie, um sich vorzustellen, dass es Weidmann war, der mit Nein gestimmt hat.

Draghi betont deshalb die Details des Plans. Die Notenbank werde etwa keine langlaufenden Anleihen kaufen, sondern nur solche, die maximal drei Jahre laufen, sagt er. Das ist die Botschaft, die Zentralbank habe keinesfalls vor, auf Dauer Staaten wie Italien zu finanzieren, wie es zum Beispiel die italienische Notenbank während der siebziger und achtziger Jahre getan hat. Der Notenbankchef verspricht auch, dass die Geldmenge

nicht wachsen wird, weil die Zentralbanker das Geld an anderer Stelle am Kapitalmarkt wieder abziehen werden. Das lässt sich als Versprechen lesen, die EZB werde nicht zulassen, dass die Inflation steigt. Auch vermeidet der Notenbankchef eine genaue Aussage, ab welchem Zinsniveau er eingreifen will. Man werde einsteigen, wenn es aus Sicht der Zentralbank nötig ist. Draghi sagt aber vor allem: "Die Regierungen im Euro-Raum müssen sich an ihre Verpflichtungen halten."

Das ist der Punkt, der Deutschland wichtig ist. Dort steckt die Regierung in einem Dilemma: Einerseits bedeuten die Anleihekäufe einen Bruch mit der Stabilitätskultur der Deutschen Bundesbank. Das Aufkaufen der Papiere ist unbeliebt, die Boulevardzeitungen schreiben dagegen an. Andererseits ist es der Regierung Merkel trotz zahlloser Rettungsgipfel bislang nicht gelungen, die Finanzmärkte zu beruhigen. Für noch größere Rettungsfonds und weitere Hilfspakete hat Merkel im Parlament keine Mehrheit. Will Berlin kurzfristig ein Auseinanderbrechen der Euro-Zone verhindern, braucht es einen Retter außerhalb der Politik. Da bleibt nur die Zentralbank. Außerdem will Merkel im kommenden Jahr wiedergewählt werden. Ständige Krisennachrichten stören im Wahlkampf.

Zugleich aber hat sich die Regierung Merkel seit dem Ausbruch der Euro-Krise ein Grundprinzip auferlegt, mit dem sie trotz aller Zugeständnisse der vergangenen Monate bisher nicht gebrochen hat. Es lautet: Hilfe darf es nicht ohne Gegenleistung geben. Europa zahlt, aber nur, wenn Italien und Spanien weiter sparen und reformieren. Auch beim vergangenen EU-Gipfel hat die Regierung diesen Pfad nicht verlassen, auch wenn viele das anders sahen. Dass die Deutschen nicht vorhaben, diesen Kurs zu verlassen, machte das deutsche EZB-Direktoriumsmitglied [Jörg Asmussen](#) schon vor einer Woche deutlich, als er sagte: "Es sollte keiner von uns erwarten, dass wir unseren Teil tun, wenn andere nicht ihren Teil tun."

"Diesmal wird es funktionieren"

Diese Formel findet sich nun fast sinngleich im Beschluss der EZB. Die Notenbank wird demnach nur dann Anleihen aufkaufen, wenn ein Krisenland einen Hilfsantrag bei den Rettungsfonds EFSF und ESM beantragt und sich damit einem weiteren Reformprogramm unterzieht. Die Strategie der "zwei Säulen", wie Draghi sie nennt, soll verhindern, dass die Regierungen ihre Reformbemühungen einstellen, sobald die Zentralbank die Anleihen aufkauft. Die Bedingungen habe es bei den ersten Bondkäufen nicht gegeben, das sei ein Grund dafür gewesen, dass sie nicht funktioniert hätten, sagt Draghi. "Diesmal aber wird es funktionieren."

Doch was passiert, wenn Italien dennoch das Versprechen bricht, das Land weiter zu reformieren und am Sparkurs festzuhalten? Kann die Notenbank tatsächlich glaubhaft drohen, das Aufkaufprogramm einzustellen? Immerhin läge dann die Verantwortung für eine Staatspleite Italiens nicht mehr in Brüssel oder in Rom, sondern in Frankfurt. Noch dazu auf den Schultern von Zentralbankern, die sich nie einer demokratischen Wahl stellen mussten, die – mehr noch – von der Politik unabhängig agieren sollten. Draghi, der Europa im Alleingang retten wollte, hätte dann nur noch die Wahl zwischen zwei Übeln: dem Untergang der gemeinsamen Währung oder der dauerhaften Finanzierung von Staatsschulden.

Womöglich wissen die Europäer erst dann, welche Macht der Zentralbanker an diesem Donnerstag erlangt hat.

- **Quelle:** ZEIT ONLINE
- **Adresse:** <http://www.zeit.de/wirtschaft/2012-09/EZB-Draghi-Euro-krise/komplettansicht>

- 6. Sep. 2012, 22:00

<http://www.welt.de/109060047>

EZB-Entscheid

Finanzmärkte bejubeln den Tod der Bundesbank

EZB-Präsident Draghi bricht mit ehernen Prinzipien der deutschen Geldpolitik. Die Zentralbank pumpt unbegrenzt Geld in die Bondmärkte. Die Börsen jubeln – für Deutschland beginnt der Albtraum.

Von D. Eckert  und H. Zschäpitz

Da war es, das Wort, auf das alle gewartet hatten: unbegrenzt. Der es benutzte, war Mario Draghi, der Präsident der Europäischen Zentralbank (EZB). Unbegrenzt will die EZB nach Beschluss des Zentralbank-Rats künftig Staatsanleihen von Euro-Problemländern kaufen, um die schwer angeschlagenen Finanzmärkte der Währungsunion zu stabilisieren.

Die einen hatten das Wort herbeigesehnt, die anderen eher gefürchtet – vor allem in Deutschland.

Die Wende der EZB kommt einer Neudefinition von Geldpolitik gleich – mit weitreichenden Konsequenzen für die Geldanlage. "Der Euro wird zu einer Art italienischer Lira gemacht", sagt Thorsten Polleit, Chefökonom bei Degussa Goldhandel. Die Folgen dieser Entscheidung seien unkontrollierbar.

Zu einer positiveren Einschätzung kommt Holger Schmieding, Chefvolkswirt der Berenberg Bank: "Die Märkte haben über die Jahre gelernt, dass es sich nicht lohnt, gegen die US-Notenbank Fed zu spekulieren. Jetzt lernen sie auch, dass es sich nicht auszahlt, gegen die Europäische Zentralbank zu wetten."

Deutschland sei der große Gewinner. Auch wenn es viele nicht wahrhaben wollten, komme die EZB ihrer Pflicht nach. Die Entscheidung vom 6. September könne die größte Volkswirtschaft des Kontinents vor einer Rezession bewahren: "Draghi hat geliefert."

Die Bundesbank reagierte auf den Beschluss mit einem ungewöhnlichen Schritt: Sie gab eine eigene Erklärung heraus, in der sie betonte, dass sich Bundesbank-Chef Jens Weidmann im EZB-Rat gegen die Anleihenkäufe ausgesprochen habe.

Nach seiner Einschätzung läuft das auf Staatsfinanzierung durch die Notenpresse heraus. Der Transfer von finanziellen Risiken, der damit einhergehe, bedürfe zudem demokratischer Legitimierung durch die Parlamente.

Märkte haben ihr Urteil gefällt

Gewinner und Verlierer der neuen Geldpolitik waren an der Börse schnell ausgemacht: Die Aktienmärkte haussierten, wobei die Peripheriemärkte besonders starke Kursgewinne verzeichneten: Der Deutsche Aktienindex ([Dax](#) (Link: /boerse/aktienindizes/DAX-DE0008469008.html)) legte bis zum Ende des Xetra-Handels fast drei Prozent zu, die Börsenbarometer in Mailand und Madrid stiegen um bis zu fünf Prozent.

Wieder einmal zeigt sich, dass die Märkte kurzfristig nach Liquidität gieren und das Ende der "deutschen Orthodoxie" in der Geldpolitik begrüßen.

Noch klarer waren die Effekte am Bondmarkt: Bei den lang laufenden spanischen Anleihen ging die Rendite um 30 Basispunkte nach unten, bei deutschen Bundesanleihen verteuerten sich hingegen die

Finanzierungskosten. Der Risikoaufschlag der Spanier verminderte sich auf 445 Basispunkte, das war der niedrigste Wert seit Mai.

Zum ersten Mal seit Februar 2011 sind die Renditen dreijähriger portugiesischer Staatsanleihen unter die Marke von fünf Prozent gefallen. Noch Anfang des Jahres standen sie bei mehr als 25 Prozent, Portugal galt damals als Pleite-Kandidat. Nun scheint die EZB die Portugiesen gerettet zu haben.

Auch die Gold- und Silber-Notierungen legten stark zu: Das gelbe Metall verteuerte sich auf 1714 Dollar. In hiesiger Währung wurde die Feinunze (31,1 Gramm) bei 1353 Euro gehandelt, nur drei Euro unter dem Rekordhoch vom September 2011.

Silber verteuerte sich auf 26 Euro je Unze – das war der höchste Niveau seit März. Der Euro schwankte um die Marke von 1,26 Dollar.

Kauforgie bei den Krisenstaaten

Draghis Umwertung aller Werte führte zudem zu einer Kauforgie bei den Anleihen von Peripherie-Staaten: "Draghi hat die Risiken vom Rand zum Kern transferiert", sagt Jörg Krämer, Chefvolkswirt bei der [Commerzbank](http://www.commerzbank.de/boerse/aktien/Commerzbank-AG-DE0008032004.html) (Link: /boerse/aktien/Commerzbank-AG-DE0008032004.html) .

Die EZB treibe die europäische Haftungsunion mit größerem Tempo voran als die Parlamente. "Die Zentralbank hat der Politik einen Blankoscheck ausgestellt", sagt Gary Jenkins, Stratege bei Swordfish Securities in London.

Das Konzept einer "unbegrenzten" Intervention war in der deutschen Geldpolitik der Nachkriegszeit bisher unbekannt. Im alten Europäischen Wechselkurssystem (EWS) sollte sich die Bundesbank nach Vorstellung von Paris Anfang der Neunzigerjahre schon ein Mal dazu verpflichten, in der Krise unbegrenzt Francs aufzukaufen.

Der damalige Chef der deutschen Zentralbank, Helmut Schlesinger, konnte das damals noch abwenden. Aus seiner Sicht raubt eine solche Verpflichtung den Währungshütern ihre Waffen, Inflationsgefahren frühzeitig abzuwenden.

Nun droht die Preisspirale

Heute ist es – über den Umweg der EZB – soweit. Für die unbegrenzten Interventionen stellt die Zentralbank frisch gedrucktes Geld zur Verfügung. Diese Liquidität kann, einmal ins System gebracht, eine Preisspirale ins Laufen bringen.

Zwar hat die EZB aus diesem Grund angekündigt, das durch die Käufe geschaffene Geld zu "neutralisieren", ob dies jedoch in der Praxis funktioniert, ist offen. Unter Umständen müsste sie den Banken dazu solche Zinsen aufnötigen, dass sie die Institute damit in Bredouille und die Konjunktur in Gefahr ringen würde.

Aus dem Grund hat zum Beispiel der Präsident des Deutschen Sparkassen- und Giroverbandes (DSGV), Georg Fahrenschon, die Anleihekäufe als "falschen Weg" bezeichnet. Die Zentralbank sei nicht zur Staatsfinanzierung da.

Auch die Verknüpfung mit politischen Reformen ist heikel: **"Wird die Zentralbank ihre Anleihekäufe wirklich einstellen, wenn ein Land sich nicht an die vereinbarten Modernisierungs- oder Konsolidierungsschritte hält?", fragt Jenkins. Der Rückzug der EZB wäre gleichbedeutend mit der Pleite des Landes: "Politisch ist das kaum durchsetzbar."**

"Nichts als Augenwischerei"

Auch für Degussa-Mann Polleit sind die Bedingungen, an die die EZB die Käufe knüpft, nichts als "Augenwischerei", um die schleichende "Liraisierung" des Euro zu kaschieren. [Commerzbank](http://www.commerzbank.de) (Link:

/boerse/aktien/Commerzbank-AG-DE0008032004.html) -Chefvolkswirt Krämer kritisiert, dass die Staaten keine harten Anpassungen vornehmen müssten, um in den Genuss von EZB-Hilfe zu kommen, wie von Draghi dargestellt.

Vielmehr reiche es aus, die laxeren Auflagen der EU-Kommission zu befolgen, um sich für "unbegrenzte" Zentralbank-Hilfe zu qualifizieren: "Spanien zeigt, wie rasch die Konditionen aufgeweicht werden können."

Schon jetzt zeigt sich, dass die Zentralbank ein gutes Stück vom Pfad der reinen Lehre abgekommen ist. Die Bilanzsumme der Institution hat sich innerhalb von vier Jahren mehr als verdoppelt, auf zuletzt gut drei Billionen Euro.

Ein Gros der dort aufgeführten Werte ist jedoch von zweifelhafter Qualität: Die Bundesbank hätte diese Papiere nie als Sicherheiten für ausgeliehenes Geld akzeptiert, umso weniger als viele der Geschäfte lange Laufzeiten von bis zu drei Jahren aufweisen.

Die deutsche Zentralbank hat selten Geld für mehr als eine Woche verliehen. In der Regel waren es lediglich Übernachtgeschäfte. Für die Bundesbank war das immer ein Gebot der Vorsicht und der Unabhängigkeit: Denn je länger die Laufzeit, desto schwieriger ist der Ausstieg.

Aktien sind die Gewinner

"Aktien profitieren von diesem Umfeld, vor allem jene der Peripherie", erklärt Krämer. Denn die Risikoprämien würden dahinschmelzen. Der Euro hingegen werde auf mittlere und lange Sicht abwerten. Polleit hält Gold für das Investment der Stunde, denn anders als Notenbank-Liquidität lasse sich physisches Edelmetall nicht beliebig vermehren.

Schon in den vergangenen Jahren lässt sich ein klarer Zusammenhang zwischen der Bilanzsumme der Notenbank und dem Unzenpreis erkennen. Beide zeigen eindeutig nach oben, gleichsam unbegrenzt.

EZB belohnt Missmanagement

SZ-Kommentar 06.09.2012, 18:12

Ein Kommentar von Marc Beise

Die Europäische Zentralbank lässt keinen Zweifel daran, dass sie den Euro retten will - und trifft dabei Aussagen, die ihr nicht zustehen. Damit schwingt sich die EZB zur heimlichen Herrscherin in Europa auf. Soll es egal sein, was das höchste deutsche Gericht urteilt, was der Bundestag beschließt? Eine unerträgliche Vorstellung: Wenn der EZB Urteile nicht passen, dann druckt sie einfach Geld.

Was treibt nur Bundesbank-Präsident Jens Weidmann, den Konflikt um die Euro-Rettung so unverfroren in die Öffentlichkeit zu tragen? Wie kann es überhaupt sein, dass interne Diskussionen in der Europäischen Zentralbank allgemein bekannt werden? Wird der Euro gerade kaputtgeredet? Das fragten sich zuletzt viele Menschen. An diesem Donnerstag haben sie eine Antwort bekommen. Der junge Präsident hat durch seinen beharrlichen Protest nicht nur an Statur und Popularität in Deutschland gewonnen. Er hat vor allem die Latte hochgelegt, über die der EZB-Rat, in dem der Bundesbank-Präsident lediglich eine von 17 Stimmen hat, bei der Euro-Rettung springen muss.

Summa summarum zur EZB-Strategie **Helfen bis zur letzten Konsequenz**



(Video: Süddeutsche.de, Foto: dapd, Foto: dapd)

Die Notenbank hat nun angekündigt, dass sie Krisenstaaten, die von Banken und anderen Finanziers am Markt kein Geld mehr erhalten, notfalls in unbegrenzter Höhe finanzieren wird - aber sie hat dafür Bedingungen formuliert. Sie hat sich auf relativ kurzlaufende Papiere von ein bis drei Jahren beschränkt. Und sie hat klargestellt, dass nur jenen Staaten geholfen wird, die sich zu Reformen verpflichten. Damit hat sie die Schleusen nicht so weit geöffnet, wie von manchen erwartet wurde. Das ist die gute Nachricht des Tages; daran hat Weidmanns beharrliche Opposition ihren Anteil.

Die schlechte Nachricht lautet, dass die EZB keinen Zweifel daran lässt, dass sie den Euro um jeden Preis retten will. **"Der Euro ist unumkehrbar"**, sagt EZB-Präsident Mario Draghi. Eine solche Aussage steht dem obersten Notenbanker nicht zu. Eine solche Aussage können nur Regierungsvertreter treffen, die sich vor ihrem Volk verantworten müssen.

Wenn der Euro zerbricht...

Den Euro zu retten, ist ein großes und wichtiges Ziel. Bei allen Fehlern, die seit der Einführung der gemeinsamen Währung gemacht worden sind: Es ist eine Realität entstanden, hinter die die Welt nur bei Höchststrafe zurück kann. Wenn der Euro zerbricht, wird die EU, wird der Binnenmarkt, wird die wirtschaftliche und politische Zusammenarbeit der Staaten massiv beschädigt. **Den Euro zu retten, ist also viele Anstrengungen wert - aber es gibt dafür zwei entscheidende Grenzen.**

Eine Euro-Rettung um jeden Preis kann wirtschaftlich ein Desaster sein; das ist die eine rote Linie, die nicht überschritten werden darf. **Die andere Grenze ist das Recht: Niemals in einer Rechtsgemeinschaft darf der Zweck alle Mittel heiligen. Eine Euro-Gemeinschaft, die auf immer neuem Vertragsbruch beruht, steht auf brüchigem Fundament.**

Die EZB hat, leider, am Donnerstag beide roten Linien überschritten. Zögernd noch und nicht unwiderruflich, aber doch entschieden. Der Aufkauf von Staatsanleihen durch die Notenbank heißt: **Die EZB toleriert, ja, sie belohnt Missmanagement.** Ungeachtet aktueller Erfolge - so im Italien des viel gelobten Wirtschaftsprofessors Mario Monti - sind ja die Krisenstaaten noch lange nicht saniert. Und das heißt: **Wenn die EZB "unbegrenzt" hilft, dann finanziert sie unsolide Staaten, und sie kann das nur durch das Drucken von immer neuem, von immer mehr Geld. Am Ende drohen Blasen, Krisen, Inflation. Es profitieren die Zocker, und die große Mehrheit der Bürger zahlt drauf.**

Permanente Rechtsbrüche

Noch schlimmer ist der permanente Rechtsbruch. Die Geschichte der vergangenen drei Euro-Rettungsjahre ist eine Geschichte der Vertragsbrüche - nun soll es so weitergehen? Erst recht nicht ist akzeptabel, dass die EZB sich zur heimlichen, oder genauer: zur unheimlichen Herrscherin in Europa aufschwingt. Es kann und darf nicht sein, dass eine demokratisch nicht legitimierte Institution die Lebensverhältnisse in Europa bestimmt. **Dass es in letzter Konsequenz egal sein wird, was das höchste deutsche Gericht in der kommenden Woche urteilt, und was der Bundestag beschließt: Wenn der EZB Urteile und Gesetzgebung nicht passen, dann druckt sie einfach Geld. Eine unerträgliche Vorstellung.**

Wenn der spanische Außenminister am Rande des Besuchs der deutschen Bundeskanzlerin in Madrid sagt, nur die EZB könne das spanische Schuldenproblem lösen, dann muss man sagen: Hoffentlich meint er das nicht wirklich. Das spanische Problem muss Spanien lösen. Das italienische: Italien. Das griechische: Griechenland. Die Euro-Partner sollen helfen, und sie tun dies. Die Notenbank kann assistieren, aber sie tut längst mehr.

Noch kann die EZB zurück. Genau dafür ist der beharrliche Protest von Bundesbank-Präsident Weidmann wichtig. **Am Ende, das weiß auch Mario Draghi, lässt sich der Euro nicht gegen Deutschland retten, der wichtigsten Volkswirtschaft Europas. Die EZB und die anderen bedingungslosen Retter sollten im europäischen Interesse die deutschen Bürger nicht auf die Barrikaden treiben. Sie sind kurz davor.**

URL:

<http://www.sueddeutsche.de/wirtschaft/europaeische-zentralbank-ezb-belohnt-missmanagement-1.1461110>

Copyright:

Süddeutsche Zeitung Digitale Medien GmbH / Süddeutsche Zeitung GmbH

Quelle:

(SZ vom 07.09.2012/mike)

Kennt Not kein Gebot?

FAZ 06.09.2012 · Die EZB ist bereit, ohne Limit Anleihen aus Euro-Krisenstaaten zu kaufen. Sie verheddert sich in ihrer eigenen Begründung, weil sie sich zur Gefangenen der Politik gemacht hat. In der Eurozone gibt es nun keine Grenze mehr zwischen Geld- und Fiskalpolitik.

Von [Holger Steltzner](#)



© dapd „Der Euro ist unumkehrbar“, sagte EZB-Präsident Mario Draghi

Warum soll es beim dritten Anlauf klappen? [Weil die Europäische Zentralbank jetzt bereit sei, ohne Limit Staatsanleihen aus den Euro-Krisenstaaten zu kaufen, sagt ihr Präsident Draghi](#). Aber auch zweihundert Milliarden ist Geld. Für diesen Betrag hatte die EZB in den Jahren 2010 und 2011 bereits Staatsanleihen gekauft, um in fünf Krisenstaaten die Zinsen zu drücken. Doch vier dieser Länder flüchteten unter den „Rettungsschirm“.

Draghi legt nach: Von nun an kaufe die EZB nur, wenn ein Krisenstaat Hilfe vom Euro-Krisenfonds in Anspruch nehme oder andere Auflagen akzeptiere. Auch solche Versprechen sind nicht neu. Die „Retter“ pochen schon seit Jahren auf Strukturreformen, die Empfänger versprechen diese, liefern jedoch oft nicht.

Was will die EZB denn tun, wenn etwa in Italien die oft versprochene Lockerung des Kündigungsschutzes ausbleibt? Verkauft sie dann italienische Anleihen? Das kann sie nicht, nimmt sie ihr eigenes Argument ernst, dass in der Eurozone die Geldpolitik nicht mehr richtig funktioniere.

Die Zentralbank verheddert sich in ihrer eigenen Begründung, weil sie sich zur Gefangenen der Politik gemacht hat. Indem sie bereitwillig die ihr angetragene Rolle des Ausputzers für das politische Versagen der „Euro-Retter“ spielt, kann sie aus dem Kaufprogramm nicht wieder aussteigen.

Die Regierungschefs aus dem Süden der Eurozone dürfen sich freuen, sie können sich weiter zu niedrigen Zinsen verschulden und brauchen sich nicht um Investoren kümmern. Aber auch die führenden Politiker aus dem Norden sind zufrieden, sie können sich hinter der EZB verstecken und brauchen etwa den Bundestag nicht mit der unbequemen Frage nach abermaliger Aufstockung der Haftung für Deutschland zu behelligen.

In der Eurozone gibt es nun keine Grenze mehr zwischen Geld- und Fiskalpolitik. Das können auch die an den Haaren herbeigezogenen Gründe, wonach der Kauf von Staatsanleihen vom Mandat der EZB angeblich gedeckt ist, nicht verbergen. Das Ziel ist die Rettung des Euro durch Finanzierung von Schuldenstaaten, damit die Eurozone nicht zerfällt. Erst fiel das Bail-out-Verbot von Staaten im EU-Vertrag, jetzt das Verbot der monetären Staatsfinanzierung im Statut der EZB. Not kennt kein Gebot - gilt das von heute an auch für den Bürger? Man darf gespannt sein, was das Bundesverfassungsgericht dazu sagt.

Quelle: F.A.Z.

Bundesbank kritisiert Beschluss offen

FAZ 06.09.2012 · Nach dem EZB-Ratsbeschluss, den unbegrenzten Ankauf von Staatsanleihen zu ermöglichen, bekräftigt Bundesbankpräsident Jens Weidmann seine Ablehnung. Die Geldpolitik laufe Gefahr, in das Schlepptau der Fiskalpolitik zu geraten, sagte er.

Von [Gerald Braunberger](#) und [Stefan Ruhkamp](#)



© dapd Das EZB-Programm ist zu nah an einer Staatsfinanzierung durch die Notenpresse, findet Bundesbankpräsident Jens Weidmann

Bundesbankpräsident Jens Weidmann hat unmittelbar nach dem [Beschluss des EZB-Rats, den unbegrenzten Ankauf von Staatsanleihen der Krisenländer zu ermöglichen](#), seine Ablehnung bekräftigt. Das Programm sei zu nah an einer Staatsfinanzierung durch die Notenpresse, zitierte ihn sein Pressesprecher. Die Geldpolitik laufe Gefahr, in das Schlepptau der Fiskalpolitik zu geraten. Ihre Fähigkeit, für Geldwertstabilität zu sorgen, dürfe nicht gefährdet werden. Die Interventionen könnten erhebliche Risiken zwischen den Steuerzahlern verschiedener Länder umverteilen. Dazu seien aber nur die Parlamente und Regierungen legitimiert.

[„Die EZB handelt im Rahmen ihres Mandats“](#), sagte EZB-Präsident Mario Draghi im Anschluss an die [Ratssitzung](#). Er verwies auf die Statuten der EZB, die Staatsanleihekäufe ausdrücklicher erlaubten. Der Rat ließ den Leitzins mit 0,75 Prozent unverändert, obwohl die Fachleute der EZB ihre Wachstumsprognose verringerten und die Inflationsprognose für das kommende Jahr von 1,6 auf 1,9 Prozent erhöhten.

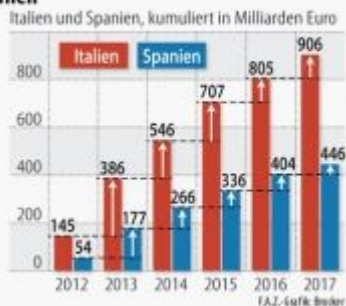
Die Details des Programms waren nicht unerwartet, verstärkten gleichwohl die ohnehin freundliche Stimmung auf den Kapitalmärkten. Der Deutsche Aktienindex Dax legte um 2,9 Prozent zu. Die Renditen spanischer und italienischer Anleihen sanken um bis zu 0,3 Prozentpunkte. Wichtigste Verbesserung gegenüber dem alten Anleihenprogramm - die EZB hat bereits für mehr als 200 Milliarden Euro gekauft - seien die Bedingungen, sagte Draghi.

Bevor zugunsten eines Landes interveniert werde, müsse es den europäischen Stabilisierungsfonds EFSF/ESM um Hilfe bitten und sich den Auflagen unterwerfen. Das müsse entweder ein vollständiges Anpassungsprogramm mit Überwachung durch EZB, EU und Internationalen Währungsfonds sein; oder eine mildere Variante, Enhanced Conditions Credit Line genannt - dann aber müsse der Stabilisierungsfonds neu begebene Staatsanleihen des Landes kaufen.

In den Genuss von Interventionen sollen auch Portugal, Irland und Griechenland kommen, sofern diese Länder wieder Anleihen auf dem Kapitalmarkt verkaufen können. Erfülle ein Land die Auflagen nicht, werde die EZB ihre Stützungskäufe einstellen, sagte Draghi. Das durch die Anleihenkäufe geschaffene Geld will die EZB dem Bankensystem wieder entziehen, so dass sich die Geldmenge nicht erhöht. Ob und wie stark sie zugunsten von Ländern interveniere, die die Voraussetzungen erfüllen, entscheide der Rat nach Analyse einer Reihe von Indikatoren, sagte Draghi.

Dazu gehörten unter anderem das Zinsniveau, Risikoprämien, Preise für Kreditausfallversicherungen, die Verfügbarkeit von Liquidität und die Schwankungsanfälligkeit der Märkte. Feste Zinsobergrenzen waren von Kritikern des Programms als besonders heikel beschrieben worden, weil sie die Zentralbank leicht zum Einsatz riesiger Summen zwingen können. Wie viele und welche Anleihen die Notenbanken des Eurosystems für die Interventionen kaufen, will die EZB wöchentlich beziehungsweise monatlich veröffentlichen.

Fälligkeit der Staatsanleihen

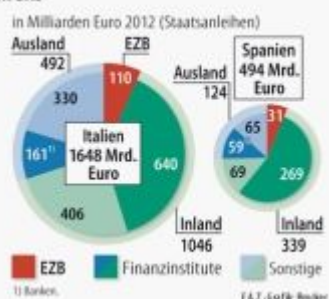


© F.A.Z.

Draghi erklärte, die EZB verzichte für die unter dem Programm „Outright Monetary Transactions“ (OMT) gekauften Anleihen auf einen bevorrechtigten Gläubigerstatus. Bei der griechischen Umschuldung hatte die Zentralbank noch durchgesetzt, dass sie anders als private Gläubiger keine Verluste erleiden muss. Das führte jedoch dazu, dass jeder weitere Kauf durch die Notenbank das Verlustrisiko der anderen Investoren für den Fall einer weiteren Umschuldung vergrößerte.

Die Europäische Zentralbank hat zudem die Regeln für einige Sicherheiten gelockert, die Banken bei ihr beleihen dürfen. Von Krisenländern garantierte Bankenanleihen und Einzelkredite werden nun unabhängig von ihrer Kreditqualität als Pfand akzeptiert. Damit begegnet die EZB der Sorge, dass sie mit Interventionen auf dem Staatsanleihemarkt dem Bankensystem zu viele potentielle Sicherheiten entzieht. Sich selbst verstärkende negative Erwartungen hätten zu einem „schlechten Gleichgewicht“ geführt, sagte Draghi. Diese Erwartungen müssten durch die Anleihenkäufe durchbrochen werden.

Gläubiger Italiens und Spaniens



© F.A.Z.

Quelle: F.A.Z.

The ECB's new bond purchase programme

Not too little, possibly too late

The Economist Blogs Sep 6th 2012, 15:23 by G.I. | WASHINGTON



SINCE the euro crisis erupted, the European Central Bank has been torn between its legal and philosophical aversion to financing governments and its duty as lender of last resort. Today, it appears to have reconciled the two, erring on the side of the latter.

At the end of its governing council meeting today, the ECB announced the much-anticipated [details](#) of how it would resume intervening in the region's government bond markets. Using its newly-christened Outright Monetary Transactions (OMT), it will buy sovereign bonds of one to three year maturity, provided the issuing country has agreed to a fiscal adjustment programme with either the European Financial Stability Facility, or its successor, the European Stability Mechanism.

Mario Draghi, the ECB president justified the programme as a necessary adjunct to monetary policy, because the ECB's ability to set interest rates for the euro zone as a whole has broken down over fears that some countries may leave the single currency. He never used the words "lender of last resort", a role the ECB readily accepts for banks but not for governments. Nonetheless, that is the de facto purpose. The purchases will act as "an effective back stop to remove tail risks from the euro area," Mr Draghi told reporters. "Bond markets are distorted ... in all directions." The new purchases will restore "monetary policy transmission and recreate the singleness of the monetary area."

The broad outlines were as expected, and the underlying details were reassuring.

First, the ECB laid out two ways countries' bonds would qualify for ECB buying: if the country enters a full macroeconomic adjustment programme, as Portugal, Greece and Ireland have; or a less stringent "precautionary programme," essentially a line of credit to countries with sound policies experiencing temporary shocks. This is important: the latter offers Spain and Italy a less treacherous way to access the ECB's balance sheet. As Mohamed El-Erian of Pimco has [observed](#), entry into a full adjustment programme signals the end of access to private capital markets. That creates an enormous incentive to wait until it's almost too late.

Second, the ECB made clear OMT purchases were, theoretically, unlimited, ie they have no "ex ante quantitative limits". Mr Draghi said they would end when the goals are achieved or the recipient countries stop complying with their conditions.

The ECB had always insisted purchases under its previous Securities Market Programme, (SMP) were temporary. The effect on yields was thus fleeting; investors could not be sure that Europe could or would commit the money necessary to meet the potentially enormous financing needs of every country at risk. Since the ECB can simply print the money it uses to buy bonds, its resources are theoretically unlimited. (It will "sterilize" the impact of its bond purchases on the money supply, but that should pose no constraint on how much it buys.)

Third, the ECB will not insist on senior credit status; it will rank "pari passu" with other holders of the same bonds, meaning in the event of a default it will not insist on being paid in full ahead of others. Without that

proviso, official intervention threatened to accelerate the flight of private capital. Mr Draghi noted, however, that this did not apply to the bonds previously purchased under the SMP.

The one major omission was detailed criteria under which the ECB would intervene. There will be no explicit cap on yields or spreads. Mr Draghi said the ECB will examine a variety of indicators, including yield levels, yield spreads, credit default swaps, liquidity conditions, and volatility.

This is good enough, for now. Yields on Spain's 10-year government bonds dropped to 6.09% from 6.41% Wednesday; on Italy's, to 5.36% from 5.51%. Stock markets rallied. Neither Italy nor Spain have yet said they would seek aid, preferring to await the details of the ECB's programme. Barclays said it expects Spain to sign a memorandum of understanding with the European finance ministers in early October, while Ireland could actually qualify even sooner, assuming it regains access to the bond market.

I suspect, however, that in coming weeks, the limitations of what the ECB has done will set in. Mr Draghi has probably succeeded in taking a full blown crisis in Italy or Spain off the table, but not in restoring financial conditions that will get the region growing briskly again.

Today Eurostat said GDP in the euro area fell 0.2% in the second quarter from the first, and 0.5% from a year earlier, confirming the region is in recession. Weak purchasing managers' indices for August suggest the recession has persisted into the third quarter. Today, the ECB sharply downgraded its growth [projection](#) for the region, to between -0.6% and -0.2% for 2012 and between -0.4% and 1.4% for 2013.

This is due in great part to the credit crunch now enveloping so many countries. ECB data published on Sept. 3 showed a sharp rise in borrowing rates for companies and households in Italy and Spain, and a sharp drop in Germany, where, Barclays notes, rates on home loans are now at a record low. This is not just due to banks' higher borrowing costs, but because of an outflow of deposits which is squeezing lending capacity; loan volumes are contracting. In Spain, private capital equal to a staggering 50% of GDP flowed out in the second quarter, according to Nomura.



Some, but not all, of this will be ameliorated by the ECB's actions. JP Morgan reckons two-year yields would be 2% in Italy instead of 2.9% without convertibility risk, and 1.7% in Spain instead of 3.7%. It is almost certainly too optimistic to expect all of that premium to evaporate. Mr Draghi said only some of the widening in spreads was due to convertibility risk; some, he said, was due, fundamentally, to the weak state of those countries' finances. Those countries will have to stick closely to the path of austerity, and until they are finished, they can expect tougher borrowing conditions than northern Europe.

Despite Mr Draghi's efforts to portray the purchases as purely within the ECB's monetary responsibilities, there is no denying that they wander far from the ECB's original mandate. That's why the vote was not unanimous. Mr Draghi did not name the lone dissenter, but it was almost certainly Jens Weidmann, president of Germany's Bundesbank. Though still passionately opposed to the ECB's bond purchases, Mr Weidmann seems to have made up his mind that he can achieve more as a vocal dissenter inside the ECB than by resigning, as his predecessor Axel Weber did.

If only to avoid making Germany and Mr Weidmann even more unhappy, the ECB will not aim to give peripheral countries the same borrowing rates as the northerners. As a result, its actions as lender of last resort will not miraculously restore the potency of its monetary policy. As the experience in both America and Britain shows, even a central bank that has interpreted its lender of last resort role quite broadly and implemented ultra-easy monetary policy can only do so much to counteract the vice of deleveraging, austerity and external weakness. This will be even more so in Europe where the ECB shows no interest in unorthodox monetary policy.

The ECB seems to have acted in time to save the euro. Whether it has acted in time to save the euro economy remains to be seen.