

Greeks say no to EU austerity with general strike

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Much of Greece is at a standstill amid a general strike, as many people want to send a clear message to EU leaders saying 'no' to further austerity.

The streets of central Athens were quiet on Thursday morning, with workers staying home in response to the 24-hour stoppage called by the two largest unions.

Ships stayed in port, public transport in the capital was disrupted and hospitals started operating on emergency-only, while public offices and many shops remained closed.

Several marches are planned, which are expected to end in demonstrations outside parliament. In the past they have often led to clashes with police and security will be tight.

Greece is planning 11.5 billion euros of cuts to secure its next tranche of bailout aid.

"I'm joining the strikes, I believe these austerity measures are too much for the Greek people to bear, and I think they should have a say in things," said one Athens resident.

"People are right to be angry, but I don't know whether this way of protesting is the right one, and whether it will bring results. I have my doubts about that," said another man.

With Greece due to run out of money next month, the government feels it has little choice but to implement the cuts which include a drastic reduction in welfare and health spending.

France 24 Latest update: 01/10/2012

Thousands march in Paris against 'austerity'

Chanting "resistance", demonstrators took to the streets of Paris on Sunday to protest against austerity policies and Europe's new budget treaty, in the first major demonstration since President François Hollande took power four months ago.

By [Rachel HOLMAN](#) (text)

Tens of thousands of people marched through the sunny streets of Paris on Sunday to protest against an EU fiscal treaty requiring governments to commit to stricter economic practices, in the latest in a string of anti-austerity rallies across Europe.

The march, which organisers say drew 80,000 people, weaved its way across the east of Paris, near the historic Place de la Bastille, with demonstrators chanting "resistance, resistance", while hundreds of flags and protest signs bobbed above the crowd. Others sang, "Hollande, do you know where we're going to stick your treaty?"

Noé, who declined to give his last name, said he had made the five-hour journey from the southern city of Toulon by bus in order to protest against Europe's new budget treaty.

"Politics have taken a back seat to finance," Noé said. "This treaty was created to comfort the world of finance; austerity measures only fill bankers and financiers' pockets. That's what I can't stand. I was never involved with politics before – today is my first protest."

'Sarkozy light'

Despite the angry tone of some protesters, one of whom described Hollande as "Sarkozy light", the rally's organisers specified that the march was not intended as a criticism of Hollande, but rather of Europe-wide austerity policies.

"Today is the day the French people launch a movement against the policy of austerity", Jean-Luc Mélenchon, the famed firebrand leader of the far-left Front de Gauche party and a former presidential candidate, said at the march.

"I am opposed to a Europe based on banks and finance," said Marie-Ange Bouies, a Front de Gauche supporter who travelled to Paris from Limoges, in central France. "There are protest movements all over Europe, and one day Brussels and politicians will have to take into account the opinion of those in the street."

The demonstration comes after Hollande's government unveiled its 2013 budget on Friday, which included an array of tax hikes and spending cuts in an effort to make up for a 37 million euro black hole in the country's public finances.

Protesters say worse is to come, with Europe's budget treaty requiring countries to commit to strict fiscal discipline.

Referendum on austerity

The treaty, which was negotiated during Sarkozy's tenure as president, will be discussed in the French National Assembly starting on Tuesday. While some left-leaning lawmakers have vowed to vote against it, the treaty is likely to be approved with a comfortable majority.

But for the protesters in Paris, the choice should not be left to parliament.

“We want a referendum on this treaty”, Monique, who also declined to give her last name, told FRANCE 24, as she stood beside a friend brandishing a protest sign. “Hollande promised he would change it, but he hasn’t at all.”

The EU budget treaty has been criticised by figures on both the left and far-right as a threat to France’s sovereignty.

Speaking just hours before Sunday’s rally, Jérôme Cahuzac, France’s budget minister, said protesters were “committing a fundamental error in thinking that the policies we are following are weakening France, when in fact these policies are strengthening it”.

European Stability Mechanism to come into force

Euronews 08/10 05:33 CET

The Eurozone's 500 billion euro rescue fund gets up-and-running today when finance ministers meet in Luxembourg.

The formal launch and inaugural board meeting of the European Stability Mechanism come amid growing uncertainty over Greece's debt bailout and concerns that Spain will need help in turn.

It will become operational when participating countries have paid in their contributions. It will be able to lend 200 billion euros out of a potential 500 billion by the end of October.

The recapitalisation of banks could become more straightforward under the ESM, which should avoid any direct state liability.

Spain will be particularly interested in this, as it recapitalised its own banks to the tune of 100 billion euros last June. But Germany, the Netherlands and Finland say the mechanism must be fully operational before any funds are disbursed.

Europäische Union als Friedensnobelpreisträgerin

Lohn für vergangene Tage, Mahnung für die Zukunft

SZ 12.10.2012, 12:53

[Ein Kommentar von Thomas Kirchner](#)

Ja, die EU hat Frieden gestiftet. Die Europäer können stolz sein, dafür den Nobelpreis zu erhalten. Aber nicht zu lange. Denn die Gegenwart zeigt: Wenn es darauf ankommt, ziehen die Staaten nicht an einem Strang. Den aufstrebenden Nationen in Lateinamerika, Asien und Afrika liefert Europa gerade ein Beispiel dafür, wie sie es nicht machen sollten.

Die EU als Friedensnobelpreisträgerin? Dieser zerstrittene Haufen mehr oder weniger bankrotter Staaten, deren größtes gemeinsames Projekt, die Währungsunion, kurz davor steht, in die Luft zu fliegen? Das ist wieder einmal ein starkes Stück des norwegischen Komitees, das aufpassen muss, dass seine Entscheidungen auf Dauer noch ernst genommen werden.

Aber die Nobel-Juroren sind nun einmal chronisch gewillt, sich der herrschenden Meinung zu widersetzen. Auch bei Barack Obama hatte die Welt sich schließlich kopfschüttelnd gefragt, wie genau der Beitrag zum globalen Frieden aussah, den der damals noch neue amerikanische Präsident im Jahr 2009 geleistet hatte. Er hatte manches versprochen. Tatsache ist: In Afghanistan tobt Krieg, das Lager Guantanamo wurde nie geschlossen.

Auf einer zweiten Ebene ergibt die Vergabe an die Europäische Union jedoch einen gewissen Sinn. Dass seit mehr als 60 Jahren Frieden herrscht in Europa, dessen Nationen einander jahrhundertlang in blutigen Kriegen zerfetzt hatten, das hat viel mit dem Einigungswerk zu tun, das Visionäre wie Robert Schuman, Jean Monnet und Konrad Adenauer in Gang gesetzt haben. Mit der bis dahin unerhörten Tatsache, dass sich Staaten freiwillig einer gemeinsamen höheren Autorität unterwerfen.

Europa bemüht sich redlich

Man mag sich nicht ausmalen, wie dieser Kontinent aussähe, wenn Nationen wie Frankreich, Deutschland und Großbritannien mit ihren doch sehr unterschiedlichen Interessen noch immer ungebremst aufeinanderkrachen würden. Das ist ein Friedenswerk, das eine Würdigung verdient hat, auf das die Europäer gern ein paar Tage lang stolz sein dürfen.

Und Europa bemüht sich redlich, diesen Frieden in die Welt zu tragen. Die Akteure in Brüssel werden nicht müde, auf die Trümpfe hinzuweisen, die die EU in globalen Konflikten ausspielen kann: die vielzitierte "soft power", die auf Diplomatie setzt, auf Entwicklungshilfe, Stärkung der Zivilgesellschaft. Die EU wirkt mäßigend im Atomstreit mit Iran, sie engagiert sich zunehmend stärker im israelisch-palästinensischen Konflikt und beim Versuch, die neuen arabischen Demokratien einzubinden; sie hat mehr oder weniger erfolgreiche Missionen auf dem Balkan oder am Horn von Afrika unternommen.

Gewaltige Differenzen

Und doch: Eine tragende Rolle bei der Suche nach Frieden in der Welt spielt die Europäische Union eher nicht, und wie es aussieht, wird es auf absehbare Zeit so bleiben. Denn nicht erst die bitteren Erfahrungen der Euro-Krise haben gezeigt, dass die Europäer, wenn es darauf ankommt, nicht an einem Strang ziehen, dass ihnen das nationale Hemd im Zweifel näher ist als der europäische Rock.

Die grundsätzlichen politischen Differenzen, die jetzt zutage treten und eigentlich immer nur verdeckt waren, sind gewaltig. Sie betreffen die Wirtschaftsphilosophie, die Rolle des Staates, die Zukunft der

Wohlfahrt, die Verteidigung. Entlang all dieser Linien tun sich Risse auf. Die Briten halten sich raus, Frankreich will den starken Staat, die Deutschen haben sich verliebt in eine unerreichbare europäische Föderation. Und Südeuropa sieht sich als Opfer des ins Sparen vernarrten Nordens.

Den aufstrebenden Nationen in Lateinamerika, Asien und Afrika liefert Europa gerade ein Beispiel dafür, wie sie es nicht anpacken sollten. So schnell wird sich keine große Region dieser Welt wieder eine gemeinsame Währung antun wollen.

Nobel Peace Prize

Oslo's call to Europe

[Jürgen Habermas](#)

15 October 2012

[La Repubblica](#) Rome



Darío

The Nobel Peace Prize awarded to the EU is a double appeal, writes German philosopher Jürgen Habermas: to European leaders to save a Union that has broken down; and to its citizens, to show solidarity just as the crisis is undermining the European social model.

At the hour of the greatest crisis in its history the European Union has been awarded the Nobel Peace Prize. Among its reasons, the Nobel Committee congratulates the Union for having "helped transform Europe from a continent at war to a continent at peace."

Certainly, it would be difficult to imagine other reasons for giving out a Nobel Peace Prize. However, it's the circumstances of the current crisis that shed light on the significance of giving this Nobel to the European Union, or more precisely the repercussions such a decision may have on the current state of the Union.

I interpret the decision to award the Nobel Peace Prize to the EU at the moment when the Union has never been weaker as a petition directed at the European political elites – those same elites who, as we all see, are conducting themselves in the crisis today with neither courage nor vision.

The Nobel Peace Prize makes it clear to the governments that are presently steering the eurozone countries that they must step out from their own shadow and so move the European project forward. It is written in the text of the appeal in black and white, and at least three times.

A call for solidarity among its citizens

The Nobel Committee begins by praising the reconciliation and the building of peace in Europe after the Second World War. The text then discusses the efforts to build and promote democracy and freedom, as well as the liberalisations that the European Union promoted in the 1980s for Greece, Spain and Portugal, as it did in 1989-1990 for the countries of central and eastern Europe, which would join the Union later – efforts that Europe must now push ahead with in the Balkans.

The Nobel Committee salutes the courage that Europe was able to summon up to overcome historical hostilities and succeed in the civilising mission that is the enlargement of the European Union, which will one day extend to Turkey. But that's not all. One had to wait to read the third reason of the Committee to discover the irony governing the bestowal of the Nobel Peace on the European Union.

The Nobel Committee refers to the economic crisis that is behind the "unrest and considerable social tensions" in the countries of the eurozone and that is pushing a Europe plagued by a weakness of leadership towards the

edge of a rupture. What is at stake, if we read the text well, is the third major achievement of the Union: that is, its social model, grounded in the welfare state.

At the moment, we Europeans persist in remaining quietly and calmly on the threshold of a two-speed EU. That is why I also see the decision to award the Nobel Peace Prize to the European Union as a call for solidarity among its citizens, who must say what kind of Europe they want. Only by deepening the institutions of "Kerneuropa" – core Europe – will we tame the capitalism that has grown wild and stop the process of the internal destruction of the Union.

Charlemagne

No more Grexit

But the euro zone is still struggling to find a way of keeping Greece afloat

The Economist Oct 13th 2012 | from the print edition



EUROPE'S charge-sheet against Antonis Samaras has lengthened with each turn of the Greek crisis. As leader of the-then opposition New Democracy, his refusal to support the first bail-out was seen as crippling. Later on, when he backed the unity government of Lucas Papademos, Mr Samaras was evasive about the second rescue. And by forcing early elections this year, he was blamed for opening the door to extremists of all stripes. Would it not be better, some thought, if Greece just left the euro?

These days, as prime minister, Mr Samaras has started to command a measure of respect. After a meeting of euro-zone finance ministers this week, their president, Jean-Claude Juncker, went out of his way to praise the Greek leader: "I am impressed... The Greek government is behaving, I do think, in an admirable way." The visit to Athens this week by the German chancellor, Angela Merkel, (see [article](#)) is the clearest signal yet that "Grexit" is no longer on her mind. One reason for embracing Mr Samaras is that he is the lesser evil, given the alternative of Alexis Tsipras, the radical leftist. Another is that keeping Greece in the euro is less awful than the chaos of Grexit. A third factor is that Mr Samaras seems to embrace Europe's terms for assistance.

Eurocrats detect a seriousness of purpose about him, not least in appointing a respected economist, Yannis Stournaras, as finance minister. Then there is the factor that nobody will admit to: the policy of demanding harsh, front-loaded austerity has done unnecessary harm. Greece's recession this year will, yet again, be much deeper than forecast in April, and so will next year's, according to the IMF's latest figures. The euro zone would never stoop to the *mea culpa* offered by the IMF in its latest World Economic Outlook, which admits to underestimating badly the effect of austerity in reducing economic output. The euro zone can, after all, always blame the indolence of earlier Greek governments. Still, when confronted with deeper-than-expected recessions, Spain and Portugal won an extra year to meet their target of bringing budget deficits below 3% of GDP.

Backed by the IMF's boss, Christine Lagarde, Greece may well be granted the extra two years it wants to meet its objective of achieving a large primary budget balance (ie, before interest payments) in 2014. A deal is likely to be reached in November. But first Greece must overcome the political deficit among euro-zone states: they may no longer want to push Greece out, but neither do they want to lend it more billions to keep it in.

The conundrum breaks down into three parts. First, Greece must find €13.5 billion (\$17.4 billion) worth of savings and taxes in 2013 and 2014 to fill a gap made worse by the paralysis of two general elections this spring. Though it claims such budget-cutting is too much, too soon, Greece seems close to agreement with the troika (the IMF, the European Commission and the European Central Bank). Second, granting Greece a two-year reprieve means finding another €10 billion to €20 billion. Greece contends, implausibly, that it requires no additional loans from the euro zone, yet at the very least it needs the benevolence of the ECB. The bank would have to let Greece issue more short-term bills (most will end up on the ECB's balance-sheet via Greek banks)

and agree to roll over a big chunk of Greek debt it holds. The ECB says a rollover would amount to illegal monetary financing. The third, and most serious problem is that the economic outlook for Greece is so poor that it will probably miss by a long shot the target of bringing debt down to 120% of GDP by 2020—the level set to justify a big haircut on private bondholders this year, and at which the economy is deemed able to survive without outside help.

Greece thinks confidence would make its economy rebound. So the IMF, though sceptical of the degree of austerity demanded by the lords of the euro zone, now finds itself cast as the pitiless enforcer because of its reluctance to make the numbers fit the euro zone's limits. It has quietly pushed the euro zone to write off some of Greece's debt. Unless America can convince the IMF to go soft by accepting a rosier forecast, the Europeans may have to lend Greece more money (difficult), forgive some of its debt (almost impossible), or both. As always, they will try to fudge, at least until Germany's general election. One idea is to bring forward loan disbursements to keep Greece going, with the promise to look at any shortfall later on. Another is to declare Greece's long-term outlook too uncertain even for economists to predict; the euro zone could then pledge to deal with Greece's long-term debt if growth disappoints. And if the IMF refuses to keep lending to Greece, the euro zone could take on the burden on its own, ignoring the IMF, as it once did for Latvia.

It all began in Athens

Fate decreed that the euro-zone crisis should start in Greece. Lies about its public finances instilled the belief, particularly in Germany, that the euro's problem was excessive debt, and the solution was tough spending cuts. Yet the woes of Spain show that even running a budget surplus is no insurance against economic meltdown. As well as worrying about excessive austerity, the IMF's report raises concern about "policy uncertainty"—including fears about the break-up of the euro—which makes a recession deeper and recovery slower. The IMF sets out a sensible to-do list, such as creating a banking union that includes a single euro-zone supervisor. These issues will be the focus of a European summit on October 18th-19th.

Greece may be right in thinking that the biggest boost to its economy would be to end the "drachma drama". But restoring confidence must also involve creditor countries, above all Germany. The euro's problem is not just dysfunctional states, like Greece, but also a dysfunctional currency zone.

NYT October 17, 2012

As Crisis Widens, Fears That Britain Aims to Exit European Union

By [STEPHEN CASTLE](#)

LONDON — When the [European Union](#) unexpectedly won the Nobel Peace Prize last week, the leaders of Germany, France and Italy spoke of their pride. The British prime minister, [David Cameron](#), who will join those leaders at an E.U. summit meeting in Brussels on Thursday, maintained an awkward silence.

In [Britain](#) these days, even peace is controversial if associated with the Union.

On Monday, the British government said it wanted to opt out of an estimated 133 E.U. police and judicial cooperation measures to which it had once agreed.

A week earlier, Mr. Cameron supported a plan for a new budget for countries that use the euro, something that would place his country, which does not use the euro, firmly in Europe's outer tier. The prime minister has been **hinting he could hold a referendum on Britain's relations with the Union**, and one newspaper reported Sunday, to no denial, that a senior cabinet minister wanted Britain to threaten openly to leave the 27-country bloc.

All of this has fueled concerns that Britain is moving inexorably toward the E.U. exit door. Political and financial pundits have coined a term for this development: "**Brixit**," a variant on "Grexit," the shorthand for Greece's much-predicted departure from the euro zone.

Mr. Cameron says that he is trying to keep Britain in the Union. **He argues gamely that popular consent to E.U. membership can be regained only by refocusing the relationship on Europe's single economic and free trade market — which accounts for half of Britain's foreign trade and investment, according to the government — and loosening other ties.**

Britain has always been ambivalent about the European project. Unlike the six founding countries — Belgium, France, Germany, Italy, Luxembourg and the Netherlands — and all of them defeated or occupied in **World War II**, Britain was a victor. In national mythology, that war was neither a moment of disgrace nor a humiliation; it was widely considered the country's finest hour, when it stood against fascism.

So the idea of reconciliation through integration never had the appeal in Britain that it did on the Continent.

Unlike many member countries, Britain always paid more into the Union in contributions than it received in subsidies.

With the euro zone almost three years into a crisis, British public opinion has hardened. The overwhelming majority of Conservative lawmakers are euroskeptics and many privately favor a withdrawal.

For some, this is a question of conviction, while others feel a competitive threat from the **United Kingdom Independence Party, which wants to take Britain out of the Union altogether.** Adept at winning over Conservative voters, the U.K.I.P. threatens to deprive many Tory parliamentarians of their seats in future elections.

So government strategy toward the Union — always hampered by what Chris Patten, a former Conservative minister and former European commissioner, has called "the psycho-drama of Britain's relations with Europe" — has turned on its head.

When he was prime minister, Tony Blair sought to exploit strains between France and Germany, the twin engines of European integration. Mr. Blair, whose Labour Party was less averse to Europe than the Conservatives under Mr. Cameron, courted allies among smaller countries and tried to compensate for Britain's self-exclusion from the euro by leading in areas like defense and police cooperation — a policy Mr. Cameron has reversed.

Previous British governments argued that if they did not like something, they had a chance of changing or stopping it only if they sat at all tables with their European partners.

Mr. Cameron seeks a new arrangement that abandons any pretence of being at the heart of the European Union. He does not, for instance, want to stop the euro zone from integrating without Britain. Indeed, he recognizes that this is necessary to save the euro.

But can a more remote relationship work?

According to a recent study for the European Council on Foreign Relations by Peter J. Kellner, president of YouGov, a polling organization, there is a parallel with 1975, when Britain held its referendum on membership in the European Economic Community.

“Then, as now, the prime minister, then Labour's Harold Wilson, had a problem managing party divisions,” Mr. Kellner wrote. “Then, as now, most voters wanted to leave the Common Market (as it then was). Then, as now, polling (specifically, a Gallup Poll in November 1974) suggested that if the prime minister renegotiated the terms of Britain's membership and recommended acceptance of the new terms, opinion would swing in favor of British membership.”

Mr. Kellner went on to note that Mr. Wilson did talk to his European partners, claimed victory — and there was subsequently a 2-1 vote to stay in Europe.

In July this year, a YouGov poll suggested that, if Mr. Cameron renegotiated the relationship to his satisfaction and recommended a yes, 42 percent would vote to stay, and 34 percent to leave.

The strategy may have domestic political logic — but there are simultaneous risks: of reducing Britain's influence on the world stage and making a “Brixit” a self-fulfilling prophecy.

Britain, which has one of the European Union's largest economies, carries weight with other member states that rely on British influence to bolster the bloc's free-market wing and counterbalance France's more statist approach.

But in order to anchor Britain in Europe, Mr. Cameron needs to emerge from a series of negotiations successfully, or at least persuade his own skeptical party he has done so.

Most urgently, he faces tough discussions on the European Union's next seven-year spending cycle. Many officials and other observers expect Mr. Cameron to veto a budget deal at a summit meeting in November.

That will satisfy euroskeptics only if Mr. Cameron can bring home an improved offer later. Yet playing to his domestic gallery with an aggressive veto may alienate the very European allies Mr. Cameron would need in later talks in any effort to redefine E.U. ties.

Meanwhile, the emergence of a more clear-cut two-tier Europe, with much greater integration among the 17 euro zone countries on issues like banking and financial services, is putting a strain on Europe's unified economic space, and could ultimately threaten London's status as Europe's financial capital.

“Deeper integration in the core would come with disintegration in the E.U.'s periphery and shrink the single market,” Sebastian Dullien wrote in a separate paper for the European Council on Foreign Relations. In other words, it could undermine the one part of the European bargain that Britons seem to like.

NYT October 17, 2012

Corruption Rattles Italians' Already Shaky Trust in Politicians

By [RACHEL DONADIO](#) and [ELISABETTA POVOLEDO](#)

ROME — A payment of \$260,000 to the Calabrian Mafia for 4,000 votes. Procuring prostitutes for the prime minister. The theft in just one region of more than \$1.3 million from public coffers. Lavish holidays and fancy dinners, all on the public dime.

Twenty years after Italy's postwar political order collapsed in a bribery scandal, accusations are again flying in a widening array of new scandals that is further eroding Italians' already shaky confidence in their politicians. The last round led to the rise of a former prime minister, [Silvio Berlusconi](#), and the question now is what the latest implosion will yield.

"We're in a moment of transition, which creates anxiety," said Michele Ainis, a constitutional law professor and political columnist. "Everyone sees that the phase of the Second Republic is finishing, and we don't yet know what the Third Republic will be."

In a nod to growing public outrage at political graft, the technocratic government of Prime Minister [Mario Monti](#) passed a bill on Wednesday that calls for creating an anticorruption watchdog and increases the penalties for extortion and abuse of office.

Mr. Monti, who came to power last November, has said that he does not want to join a political party, but that he would not rule out staying on if he were called upon to lead a democratically elected government after national elections expected next spring.

The breadth of the corruption now coming to light has astonished even cynical Italians. On Wednesday, the once-powerful governor of the Lombardy Region, Roberto Formigoni, said he would dissolve the regional government on Oct. 25 in a snowballing series of scandals that has already brought down the president of the Lazio Region and led to the dismissal last week of the entire city government of Reggio Calabria to prevent organized crime infiltration.

Mr. Formigoni, a stalwart of Mr. Berlusconi's People of Liberty party who has governed Lombardy for 17 years, said his government had come to an end after the arrest last week of a lawmaker in the **vote-selling** case, one of **more than a dozen regional lawmakers embroiled in scandals**.

Mr. Formigoni is under investigation on the accusation that he accepted paid vacations and yacht trips from a health care lobbyist. He denies wrongdoing and says that the majority of citizens want him to stay in power.

In a recent interview, the justice minister, Paola Severino, **said the scandals were worse than the so-called Clean Hands investigation that swept away an entire political class 20 years ago because they were taking place in a moment "of significant political weakness."**

"To illicitly profit from public funds is always extremely serious, but to illicitly profit from public funds when the country is asking sacrifices of its citizens is something of unprecedented gravity," she told Sky television.

Many of the current scandals have their origins **in a 2001 law meant to promote greater federalism and, theoretically, more local accountability. The measure, which handed out generous state financing without requiring that the regions raise much money on their own, backfired badly, fostering reckless spending throughout the country.**

"Effectively, it was like giving a credit card to someone and saying, 'Do as you like,' " said Roberto Perotti, a professor of economics at Bocconi University in Milan.

Times have also changed. **“Today, businesses don’t have the money to corrupt, so the politicians dip directly into public funds,”** said Marco Cobiانchi, the author of two books on corruption.

With the creation of Italy’s provinces in 1970, and especially in the years after 2001, the cost of regional governments exploded. The salaries of Italy’s 1,113 regional lawmakers expanded as well, to \$4,000 to \$6,500 a month, and often double that with added benefits, a rich reward compared with the average Italian salary of around \$1,500 a month. After the government raised the retirement age last year to between 62 and 66 in a complex scheme, there is less tolerance for politicians allowed by law to accrue lush second pensions well before retirement age (in some regions, they begin receiving these annuities at age 50).

As a result, there is a rising public clamor for cutting the cost of politics, but the political parties have been slow to respond. Many proposed reforms have been watered down or stalled at a legislative level, including one to reduce the number of regional politicians.

“The level of anger in all sectors of the population, from north to south, suggests that the boiling point is nearby,” Mr. Perotti said.

With politicians mired in scandal, disaffection is running high six months ahead of early national elections in which the left is favored to win, but without enough support to form a government. Populist, antipolitical forces — most notably the Five Star Movement of the comedian Beppe Grillo — are gaining momentum.

Polls show that abstentions are expected to be at a record high. **“I’ve always cast my ballot, but these politicians deserve a 99 percent abstention rate in the next elections, to give them a signal,”** Massimo Rossi, 49, a street vendor in Rome, said while putting away a case of green beans.

“It’s across the spectrum, unfortunately,” he added. “I am not talking about parties or political colors, but about the lack of people who really represent us citizens.”

Some say the new scandals have revealed a political culture based more on lifestyle than on ideology. They have laid bare the “perversion of politics, which has become a job for many, a high-paying placement system,” wrote Ezio Mauro, the editor of La Repubblica, a daily newspaper.

Noting a “sense of impunity” sowed during the Berlusconi years, “the deterioration of the meaning of politics and its nature” has led Italy to this point, he added. **“Our democracy was corroded by the corruption of 1992; now it is ill.”**

Gherardo Colombo, who was among the Milan prosecutors who spearheaded the graft inquiries 20 years ago, said that Italy’s institutions were weaker today than they were in the early 1990s. Legislation drafted over the past two decades “has made corruption easier, and more difficult to uncover,” he said.

Mr. Colombo said that there had also been **cultural shifts, and that Italian society had acquiesced to the climate of illegality.** **“You don’t see indignation, but indifference, and that is not a good sign,”** he added. **“It means there is disillusionment, but also that people don’t see this as a problem that needs to be changed.”**

Gaia Pianigiani contributed reporting.

Hollande: «L'union politique suivra l'union budgétaire»

Par [Jim Jarrassé](#), [Marine Rabreau](#) Mis à jour le 17/10/2012 à 15:49 | publié le 17/10/2012 à 14:24



François Hollande. Crédits photo : PHILIPPE WOJAZER/REUTERS

Dans une interview accordée à plusieurs journaux européens à la veille du Conseil européen, le chef de l'État défend un renforcement du pilotage de la zone euro et confirme son objectif de réduction du déficit. Lefigaro.fr vous en livre les principaux points.

» Résoudre la crise économique avant tout

«**Plus personne aujourd'hui ne pense que la zone euro va éclater.** Maintenant, nous devons sortir de la crise économique». Pour François Hollande, la priorité est de régler le plus rapidement le cas grec. **Quant aux Espagnols et aux Portugais, «le temps est venu (de leur) offrir une perspective au-delà de l'austérité. Aujourd'hui, ce qui nous menace, c'est autant la récession que les déficits»,** prévient le président français, qui se félicite des [décisions qui ont été prises lors du sommet européen de juin](#), qui ont permis de «calmer» les marchés. Reste à les appliquer vite: «L'objectif, c'est de tout régler d'ici à la fin de l'année».

» Plus de ressources mutualisées pour relancer la croissance

«Le retour à la croissance suppose de mobiliser des financements à l'échelle de l'Europe, explique François Hollande, qui appelle à ce que l'enveloppe de 120 milliards d'euros du pacte de croissance soit dépensée “vite et bien”. Pour lui, le budget européen devrait mobiliser plus de ressources, car c'est «aussi un élément de stimulation de l'économie». Quant à la [taxe sur les transactions financières, acceptée par onze pays européens](#), elle pourrait être utilisée pour des «projets d'investissement» ou la «formation pour les jeunes».

» La réduction du déficit à 3% en 2013 maintenue

François Hollande réaffirme son engagement européen et son «objectif de réduction de déficit à 3% pour 2013 et de rétablissement de l'équilibre des comptes publics en 2017». **Pourtant, le FMI a revu en baisse ses prévisions de croissance pour la France en 2012 (0,1%) et 2013 (0,4%) et estimé que Paris ne pourra pas respecter ses engagements sur les déficits ni cette année ni l'année prochaine.** Le gouvernement, lui, a présenté son budget 2013 sur des hypothèses de PIB en hausse de 0,3% en 2012, puis 0,8% en 2013.

»«Une mutualisation partielle des dettes»

Incitant les Européens à «cesser de penser qu'il n'y aurait qu'un seul pays qui paierait pour tous les autres», François Hollande se dit favorable à «une mutualisation partielle des dettes, à travers les **eurobonds**» pour **pouvoir «harmoniser les taux d'intérêt dans la zone euro**». Le président français renvoie ainsi une nouvelle fois le sujet sur la table allemande, alors qu'[Angela Merkel reste réticente à la mise en place de ces euro-obligations](#). «**Il ne peut être admis, dans un même espace monétaire que des pays se financent à 1% à dix ans et d'autres à 7%**», martèle-t-il.

» Vers une «Europe à deux vitesses»

[François Hollande](#) milite pour un pilotage plus intégré de la politique économique de la zone euro. Il se prononce pour des réunions mensuelles des dirigeants des pays membres. Le président de l'Eurogroupe doit profiter d'un «mandat clair et suffisamment long», ajoute-t-il. «Ma démarche, c'est une Europe qui avance à plusieurs vitesses, avec des cercles différents (...) Certains pays ne veulent pas (rejoindre la zone euro) - c'est leur choix. Mais pourquoi faudrait-il qu'ils viennent nous dire comment doit être dirigée la zone euro?», s'interroge le chef de l'État.

» **L'union politique après les européennes de 2014**

Alors que l'Allemagne considère l'union politique - une Europe plus intégrée disposant de compétences nouvelles - comme un préalable à l'union bancaire et budgétaire, François Hollande est d'un avis différent. «L'union politique, c'est après, c'est l'étape qui suivra l'union budgétaire, l'union bancaire, l'union sociale. Elle viendra donner un cadre démocratique à ce que nous aurons réussi de l'intégration solidaire», assure-t-il, fixant comme échéance les élections européennes de 2014. «Les plus pressés à parler de l'union politique sont parfois les plus réticents à prendre les décisions urgentes qui la rendraient pourtant incontournables», déclare le président, assurant qu'il «ne vise personne en particulier».

» **Angela Merkel? «Elle dit les choses»**

François Hollande expose sa vision du couple franco-allemand, qui a «un devoir d'union» et de «cohérence» pour permettre «l'accélération» de l'intégration au sein de la zone euro. «Est-ce que ce doit être une relation exclusive? Non! L'Europe ne se décide pas à deux. L'amitié franco-allemande doit agréger, associer, assembler», ajoute François Hollande. Le chef de l'État salue la franchise de [Angela Merkel](#), qui facilite selon lui la recherche de compromis: «Elle est claire, elle dit les choses... Cela fait gagner du temps. Et j'ai la même démarche. Alors, ensuite, de nos points de départ, nous cherchons à trouver le meilleur point d'arrivée».

» **Hollande et «l'idéal européen»**

Se félicitant du [prix Nobel de la paix attribué à l'Union européenne](#), François Hollande rend hommage aux pères fondateurs «capables d'avoir réussi la paix au lendemain d'un carnage». Mentionnant Jean Monnet, de Gaulle et Mitterrand, le chef de l'État lie «l'idéal européen» au «rêve français» et décrit l'Europe comme «la plus belle aventure pour notre continent». Une Europe aujourd'hui menacée par le nationalisme et le désamour, prévient Hollande. Le risque pour l'UE est «de n'être regardée au mieux que comme un guichet austère, où les uns viendraient chercher des fonds structurels, d'autres une politique agricole, un troisième un chèque, au pire comme une maison de redressement. À elle de donner du sens à son projet, mais aussi de l'efficacité à ses décisions», assure le chef de l'État.

European integration

We need a referendum on the future of Europe

17 October 2012

[Il Foglio](#) Milan



[Kazanevski](#)

The European project, as it has been constructed so far by the elites and their "benevolent paternalism", has run up against its limits. The next step towards political union cannot be taken without a direct consultation with the citizens, writes the director of the Italian geopolitical magazine Limes.

[Lucio Caracciolo](#)

Between "less interdependence" and "more integration", the needle of the scale is tipping toward the former. Is this inclination definite? Certainly not. If there is no guarantee that a United States of Europe will ever see the light of day, it is nevertheless not written that the conflicts within Europe that have triggered the euro crisis will lead to the break-up of the EU – or worse, to a war.

The urgency of the problems is forcing us to think about them clearly and coldly, to abandon our prejudices and our consoling visions, and to use our imaginations not to misrepresent the present but to picture the future. Most importantly, any proposed European project must make it through a public debate and with the consent of the European peoples affected.

It is no longer possible to create a Europe without Europeans. It is they who must decide if they want to create this Europe, and, if necessary, how. By such a Europe I understand a sovereign geopolitical state. A democratic European state, with limits and institutions that need to be defined. In practice, that goes beyond the letters of the international treaties among Europeans.

The consent of the peoples of Europe

Today, it is the member states that say what the European Union is, and, in particular, what it is not. That leads to a double loss of legitimacy for democracy: at the national level, where parliaments have sunk to a historical nadir, where the legitimacy of governments fades from day to day and where political parties are nothing more than shadows of their former selves; at the community level, with a discredited Commission that, defying ridicule, displays a semblance of executive power, flanked by a Parliament elected from national lists, which defends national interests, and whose powers are very different from those that the Western tradition assigns to legislatures.

The beneficiaries of this situation are anti-democratic or frankly racist forces that use Europe as a bogey-man to harvest political fruit and attract voters. Built on the ruins of the world wars to ensure peace, foster progress and advance freedom, the European ideal has produced the opposite. Collateral damage: the Europe Union is undermining its values and devaluing what it was meant to protect.

Several remedies that are very different may be able to bridge the divide between interdependence and integration. To work, each of them needs the consent of the peoples of Europe. The time has come to ask Europeans if they want to bring their country into a union – yes or no. By referendum. And not by one of these national consultations in which the voters of a Member State approve or reject (in the latter case, voters are called to the polls solely to approve the text) a treaty that is unreadable and, therefore, that remains unread.

A force for democracy in the world

This referendum among the twenty-seven Member States of the European Union (from next year, twenty-eight), which should take place at the same time and under the same rules throughout the European community, would pose the fundamental question: "Are you for or against the emergence of a European State comprising all member states of the European Union or of some of these states (specify which)?"

It would, of course, be a consultative ballot. But the voices in chorus of hundreds of millions of Europeans would have a powerful knock-on effect on the choices of the political leaders at the national level.

Whatever the outcome, we would finally have a clear picture of the degree of Europhilia among Europeans. Which is something that the Europhiles have always carefully avoided. It should, however, be clear by now that if we can one day unify Europe or a part of Europe for good, to make of it a force for democracy in the world, it will happen only on the ashes of Europeanism. On the ashes of its complacent paternalistic reflexes and its fundamentally elitist and undemocratic culture. The result is that, 55 years after the Treaty of Rome, not only do we not have a unified Europe, but we are exciting base emotions and tearing out the liberal and democratic roots of its member countries.

This article is an excerpt from the chapter "Europe for the Europeans", published in the Nomos & Khaos 2012 report from the Italian research institute Nomisma.

Hollande fires warning shot at Merkel over austerity on eve of EU summit

Exclusive: In first British newspaper interview since becoming president, French Socialist leader says recession is as great a threat to Europe as debt

[Angelique Chrisafis](#) in Paris and [Ian Traynor](#) in Brussels

[guardian.co.uk](#), Wednesday 17 October 2012 10.25 BST



François Hollande: remarks highlight gulf between Paris and Berlin over how to tackle Europe's worst ever economic crisis. Photograph: Thierry Zoccolan/AFP

[François Hollande](#), the French president, has warned for the first time that the Paris-Berlin motor driving [Europe](#) could stall over deep differences on how to resolve the euro crisis, insisting on a climbdown by [Angela Merkel](#) in her emphasis on austerity and the surrender of national powers to tighten fiscal discipline.

Giving the Guardian his first British newspaper interview since becoming president in May, Hollande said there was light at the end of the eurozone tunnel, but he also:

- suggested Merkel was too preoccupied with domestic politics in her response to the crisis
- demanded Berlin reverse its opposition to decisions taken by eurozone leaders in June
- called on the eurozone to act promptly to bring down the costs of borrowing for Spain and Italy
- insisted Greece be assured of staying in the eurozone
- gave short shrift to a German push for the creation of a federalised eurozone or political union
- and dismissed as unfounded the strong German criticisms of the recent moves on the crisis by the European Central Bank.

While the Franco-German relationship was the driving and "accelerating" force of the EU, Hollande said, "it can also be the brake if it's not in step. Hence the need for Franco-German coherence."

Hollande's remarks on the eve of a crucial EU summit in Brussels highlighted the extent of the gulf between Paris and Berlin and the deep divisions within the eurozone almost three years into Europe's worst ever crisis.

Solidarité

Interviewed by [the Guardian and five other European newspapers](#) from France, [Germany](#), Spain, Italy and Poland, Hollande also called for monthly meetings of the national leaders of the 17 eurozone countries to end the cycle of "so-called 'last-chance' summits", which he said in the past had led only to "fleeting successes".

He said domestic electoral considerations should not get in the way of solving the euro-crisis. Merkel "is very sensitive to questions of internal politics and to the demands of her parliament. I understand that, and can respect that. But we all have our own public opinion. Our common responsibility is to put Europe's interests first."

France's first socialist president for 17 years also rejected the idea that Germany was the only nation putting its hand in its pocket for everyone else.

"We're all taking part in this solidarity. The French, the Germans, just like all the Europeans in the ESM [the eurozone's new rescue fund]. Let's stop thinking that there's only one country who's going to pay for the others. That's false. However, I know the sensitivity of our German friends to the problem of supervision. Whoever pays should control, whoever pays should sanction. I agree. **But budgetary union should be completed by a partial mutualisation of debts through eurobonds.**"

Hollande's assertion of the need for the eurozone to pool some of its debt through eurobonds challenged one of Merkel's red lines. She has repeatedly refused to countenance the proposal and there is scant chance of her shifting that position as she moves into an election year.

"We are near, very near, to an end to the eurozone crisis," said Hollande. But decisions taken at the last EU summit in June had to be implemented "as fast as possible".

No Grexit

In June, EU leaders delivered a breakthrough deal, **agreeing to make the European Central Bank the first supervisor of the eurozone's banks and to use the bailout funds to shore up weak banks directly rather than by lending the funds to governments.** But Berlin is dragging its heels on the deal and last month shattered the confidence of its partners by walking away from the agreement.

Hollande insisted that the so-called "banking union" **had to be finalised by the end of the year.** He is [demanding a German climbdown](#) on the issue at the summit on Thursday and Friday.

Echoing calls by the Spanish and Italian governments for German support to bring down the costs of their borrowing in the bond markets, Hollande said they should be able to finance themselves at "reasonable" rates, and added it was unfair some eurozone countries were borrowing at 1% and others at 7%.

The Greek situation had to be dealt with "definitively" as "Greece has made so much effort and it must now be assured of staying in the eurozone".

"In the interests of all you can't inflict perpetual punishment on countries that have already made considerable efforts," he said.

For Hollande, the urgency of dealing with the crisis had to take priority over longer-term German-led calls for eurozone federation and political union. Only once immediate measures were taken could Europe look at changing its way of decision-making and "deepening its union". He suggested that political union – so dear to the Germans – would be on the backburner until after the 2014 European parliament elections.

Crucially, he warned against the issue of political union being used as a distraction to dodge difficult choices.

"The institutional issue is often evoked in order to avoid making choices. It hasn't escaped my notice that those quickest to talk of political union were often those the most reticent to take urgent decisions ..."

Challenged that he specifically meant the Germans, he said: "No, I'm not pointing at anyone in particular." But he added: "Several times in the past, they [Germany] had sincerely made proposals on political union. Those were not picked up."

Read my lips: no new treaty

Outlining his recipe for tackling the crisis, **Hollande called on Germany to help rebalance the eurozone economy by cutting taxes and raising wages to spur domestic demand and proposed policies sharply at variance with Berlin in terms of timing and sequencing.**

"Solidarity" had to come first followed by deeper integration, he emphasised. "Whenever we take a step towards solidarity, the union – which means the respect of common rules around governance – should progress." He said the banking union was a very important role. "That solidarity can't go without democratic control. The banking union aimed at controlling finance would be an important step in European integration."

The German strategy, by contrast, is to insist on tighter, centralised controls of budgets and fiscal policies and then to move towards a pooling of liabilities for banks and debt once the new system is operational and seen to be working.

Asked whether in order for a more integrated political union it might be necessary to draw up a new European treaty and put it to referendums, Hollande shot back with a reference to the no vote on the European constitution in France in 2005. "If I remember rightly, we tried that formula in 2005 and it didn't produce the results we were hoping for. Because before launching into institutional mechanics, Europeans must know what they want to do together. The content is more important than the framework," he said.

He insisted France would "tirelessly" champion the growth agenda – "this compromise between getting out of debt and growth" – without questioning the need for budget discipline, which had been made "absolutely necessary" by the sovereign debt crisis. **"Today, recession is as big a threat as deficits."**

Brits on the backfoot

Hollande said his approach was "a Europe that advances at varying speeds, with different circles. We could call them 'avant garde', 'precursor states', the 'core' – names don't matter, it's the idea that counts." This meant strengthening the regular meetings of eurozone governments.

. He said the leaders of other countries intending to join the single currency could also take part in his proposed monthly summits of eurozone national leaders, but on less than equal terms, as "associates". But, in an implicit nod to David Cameron and other non-euro zone countries not to interfere if they were standing outside, he added: "Certain countries don't want to join [the eurozone]: that's their choice. But why should they come telling us how the eurozone should be run? It's a pretension I hear but that I don't think meets the need for coherence."

Asked if he would risk seeing Britain leave Europe, Hollande said: "I would like a UK fully engaged in Europe, but I can't decide in place of the British. I see that for the moment they want to be more in retreat. The British are tied by the accords they have signed up to. They can't detach from them. At least they have the merit of clarity. They aren't in the eurozone or budgetary union. I don't intend to force them."

The suggestion that Britain couldn't wriggle out of deals it had signed up to could be seen in London as a signal that it would not be easy for the UK to renegotiate binding European commitments in a way Cameron would like to.

Asked what was the biggest threat to the [European Union](#), Hollande suggested it was "not being loved. Only being seen at best as an austere cash dispenser or at worse as a reform school."

In a message to Germany that France would stand by the others, he said. **"France is the bridge between northern Europe and southern Europe.** I refuse any division. If Europe has been reunified, it's not for it to then fall into egotism or 'each for one's own'. Our duty is to set common rules around the principles of responsibility and solidarity. As a French person, it's for me to ensure Europeans are conscious of belonging to the same group."

Asked if he had said that to Angela Merkel, he said: "She knows it perfectly. That was the meaning of her trip to Athens".

He said: "I'll do everything for Greece to stay in the euro and have the resources it needs by the end of the year, without it having to be necessary to inflict new conditions other than these already admitted by the Samaras government." But Hollande said he also felt for the Spanish and Portuguese people "who had paid dear for others' excesses".

"The time has come to offer a perspective beyond austerity". He said Spain must know the precise conditions for getting financing agreed in June. There was no reason to make its burden heavier.

Asked if the worst was over, Hollande said, "Yes, the worst – in the sense of the fear of the eurozone breaking up - is over. But the best isn't there yet. It's up to us to build it."

Interview conducted by Sylvia Kauffmann (Le Monde), Angelique Chrisafis (The Guardian) Berna Gonzalez Harbour (El Pais), Jaroslaw Kurski (Gazeta Wyborcza), Alberto Mattioli (La Stampa) et Stefan Ulrich (Süddeutsche Zeitung)

In keeping with established practice in France, Hollande's quotes were approved prior to publication.

Germany Wants To Be Europe's Currency Tsar



Submitted by [Tyler Durden](#) on 10/17/2012 09:44 -0400

As all eyes and ears (and trigger fingers) are glued to the flashing red headlines from Europe's conditional unconditional OMT/credit-line/backstop/ESM malarkey and Spain's insistence that it doesn't need help yet just wonders what the rules are, Merkel stated - for absolute clarity once again - her views yesterday. As much as no-one wants to hear what the money-lady has to say - preferring instead to live in a world where promises work, **FinMin Schaeuble clarified the need for a 'currency commissioner' with sweeping powers to strike down national budgets**. This bombshell, as [The Telegraph](#) calls it, is really nothing of the sort; as Merkel has already made it clear that there's no money without sacrificing sovereignty. The directness of this statement though does raise questions over just what the ECB is for? Critically, dismissing Van Rompuy's spin that this is a step towards debt-pooling and euro-bills, Schaeuble made it clear that **fiscal union meant "more power to police the affairs of debtor states."** While the possibility remains of a precautionary line of credit, the Germans stated: "one thing is clear: *whatever is requested, it won't be without conditions,*" and as Citi's Steve Englander noted "*It's all down to haggling over the price now.*"

Via [The Telegraph](#):

There must be an EU “currency commissioner” with sweeping powers to strike down national budgets; a “large step towards fiscal union”; and yet another EU treaty.

Finance minister Wolfgang Schaeuble dropped his bombshell in talks with German journalists on a flight from Asia, and apparently had the blessing of Angela Merkel, the chancellor. “When I put forward such proposals, you can take it as a given that the chancellor agrees,” he said.

Officials in Brussels reacted with horror. **“If that is the demand, they are not going to get it.** Nobody in the Council wants a new treaty right now,” said one EU diplomat.

“We’ve got the fiscal compact and quite enough fiscal discipline. Not even the Dutch want a commissioner telling them how to tax and spend,” he said.

The Schaeuble plan is highly provocative...

Mr Schaeuble **poured scorn on counter-proposals by EU president Herman Van Rompuy**, including a first step towards debt pooling through joint “eurobills”. The term “Fiskalunion” in Berlin has a specific meaning: **more power to police the affairs of debtor states**. It does not mean debt mutualisation or a joint EU treasury. Germany has so far refused to cross this Rubicon.

Michael Link, the country’s Europe minister, said Mr Van Rompuy’s plans are dead on arrival. **“When you make proposals that are simply unacceptable for certain members, this will only give the impression of division.** You can phrase it any way you like, ‘treasury bills’, ‘debt-redemption funds’ or ‘eurobonds’, this type of debt issuance will not fly with our government. We have always said this very clearly.”

Michael Meister, Mrs Merkel’s key fixer in the Bundestag, told Bloomberg that German legislators might be open to the idea, “but one thing is clear: **whatever is requested, it won’t be without conditions**”.

Spain is quietly trying to find out what those terms might be. Demands for public-sector job cuts would set off a storm. “It’s all down to haggling over the price,” said Steven Englander from Citigroup.

Huw Pill, from Goldman Sachs, said **Germany has, in fact, allowed “veiled” debt mutualisation through its share of €750bn (£607bn) of bail-out liabilities.** Less visibly, it has let the ECB boost its balance sheet to 32pc of GDP, even before it embarks on “unlimited” purchases of Club Med bonds. This includes a €1 trillion lending blitz to banks, and more than €200bn of bond purchases.

It is precisely for this reason that Swiss rating agency I-CV stripped Germany of its AAA rating last month. **“Germany has taken on contingent liabilities of €2 trillion.** When you create these backstops, the money comes from somewhere and it can all go wrong,” said I-CV’s Rene Hermann.

Germany is in deeper than it likes to tell its own people.

Eurozone Bank Supervisor Plan Found To be "Illegal"

ZeroHedge Submitted by [Tyler Durden](#) on 10/17/2012 12:58 -0400

While we have largely resumed ignoring the non-newsflow out of Europe, as it has reverted back to one *made up on the fly lie* after another, or just simple rumor and political talking point innuendo in the most recent attempt to get hedge funds starved for yield (and chasing year end performance) to pursue every and any piece of Italian and Spanish debt (at least the until euphoria ends and the selling on fundamentals resumes) the latest development from the FT bears noting as it has major implications for Europe's make it up as you go along "recovery." According to the FT: **"A plan to create a single eurozone banking supervisor is illegal, according to a secret legal opinion for EU finance ministers that deals a further blow to a reform deemed vital to solving the bloc's debt crisis.** A paper from the EU Council's top legal adviser, obtained by the Financial Times, argues the plan goes "beyond the powers" permitted under law to change governance rules at the European Central Bank." The punchline: "The legal service concludes **that without altering EU treaties it would be impossible to give a bank supervision board within the ECB any formal decision-making powers as suggested in the blueprint drawn up by the European Commission.**"

Keep in mind this has been Germany's position all along, which has absolutely no intention of handing over supervision of Deutsche Bank (whose ongoing bailout this is all about), to the ECB. But more importantly, recall that the ESM as a bank recapitalizing CDO mechanism can only work under an active banking supervision regime, which in turn means that the uber Deus Ex Machina, that of recapping insolvent and locked out banks directly and bypassing the ECB's direct debt purchasing using a third party surrogate instead, will not be possible. This is bad news for Spain, but the country is still celebrating its "Schrodinger" status of a country which is both investment grade and needing an imminent bail out any second now.

More [from the FT](#):

Those non-eurozone countries that want to opt into the bank supervision regime would also be legally unable to vote on any ECB decisions – a key demand of countries such as Sweden and Poland.

While it is common for lawyers from different EU institutions to disagree on aspects of proposals, diplomats involved in the talks said the sharp difference in legal opinion would complicate efforts to overcome the deep-set concerns of some member states. Banking union will be a central topic at the EU leaders summit on Thursday.

While EU leaders are still aiming to agree the supervision plan by the end of the year, talks have made little progress to date, in part because of strong German objections. Some participants privately suggest the talks may drag on for a year or more.

Other elements of the commission proposal were also challenged in the legal opinion, notably in asserting the rights of member states to decide how rules on their banks are applied, even when under the supervision of the ECB.

"The major question that follows from this opinion is a practical one," said Alexandria Carr, a former UK legal adviser now at Mayer Brown International.

"Will the ECB have the capability and capacity to be the ultimate decision maker in respect of all supervisory decisions over complex, global institutions and to apply at least 17 different pieces of domestic legislation?"

Which hits at the heart of the matter. Because while Europe may have a central bank, one which is controlled by an ex-Goldmanite with a purely reflationary agenda, the real fiscal and monetary powerhouse (because at the end of the day if Weidmann quites the ECB, what happens next is anyone's guess) continues to be Germany.

And that's just the way Germany likes it. And whether there will be inflation in Germany (which Deutsche Bank certainly needs but in moderation so as not to spook the German population), will be Germany's decision. At least that is how Germany sees things.

So to summarize:

- The June Eurosummit, which was hailed as a grand victory for Mario and Mariano, and which sent stocks soaring on the misperception that Germany has finally yielded to the PIIGS demands, has not yet been effected (just out from Bloomberg: "Rajoy Says June Summit Accords Must Be Implemented Soon").
- The ECB's OMP was disclosed a month ago, but has yet to buy a single bond.
- The ECB has said the OMP will be pari passu with the private sector, yet the ECB refuses to take any capital hits on its Greek bonds, confirming there is no clear plan how OMP purchases will be potentially impaired (see "[Draghi Again Confirms ECB Pari Passu Status Is A Pipe Dream](#)")
- The ESM will have insufficient funds, when one takes out the paid-in capital components and the funds already pledged, to prefund Spanish 2013 bond issuance, let alone Spain and Italy (as we said months ago, and as [IFR confirmed last week](#))
- The ESM will **certainly** not have enough cash to prefund Spanish and Italian funding needs once the current bout of euphoria ends (see "[Brussels we have a problem](#)")
- Now we learn that the ESM will be hobbled, and one of its most critical functions (assuming it can find the funding of course) - recapitalizing insolvent PIIGS banks - will now almost certainly not happen.
- If [AEP is right](#), Germany will demand an arm and a leg in exchange for providing ongoing assistance to the PIIGS, and wants to become Europe's defact "currency commissioner", which makes the ECB even more irrelevant in the great scramble for monetary authority power.
- Spain's Rajoy has been delighted to take advantage of the market correctly assuming that it is insolvent and will need to be bailed out, but so far has refused to admit reality, and while issuing debt at bailout-inclusive levels, does not want to pay the piper and face the population once he admits failure. Moody's laughable report that the pro forma bailed out country is Investment Grade is simply further proof of Europe's current policy-driven idiocy.
- The Greek economy is imploding now faster than ever, with the country's biggest company, Coca Cola, [leaving the country](#), heading to Switzerland, in the process causing another major spike in the unemployment rate, leading to less tax revenues, and an even greater fiscal mess. In fact, Greece will likely gets its marching orders shortly, but certainly not before the US election.
- The cherry on top is that having delayed long enough, Germany is now rapidly entering the recession that its neighbors have been hit by. And making things worse, the ironic outcome where the EUR is stronger on more ECB easing simply means that German exporters will be more and more impaired with every day that the EURUSD rises, such as today. This in turn means more core weakness, and less German ability to hold the eurozone on its shoulders.

In a nutshell, not only has nothing actually happened in Europe, aside from lots of talk of course, but things are even worse than they were several months ago. But at least bonds are tighter, giving everyone a false sense of confidence and allowing peripheral countries the comfort of believing that everything is under control.

It isn't. Instead, what it is, is **one big confidence game**. Literally.

For those who want to know the media scripted outcome of the European tragicomedy, we again refer you to the article highlighting [Lee Buccheit's "Next Steps"](#) for Europe. Because unlike contradictory flashing red headlines every 10 minutes, it explains cleanly and accurately precisely what happens in Europe in the next few quarters (spoiler alert: there is no happy ending).

Kritik an Reformbericht Van Rompuys

EU vor Gipfelbeginn tief gespalten

FAZ 17.10.2012 · Die Staats- und Regierungschefs der EU sind sich uneins über die Weiterentwicklung des Euroraums. Die Forderung Finanzminister Schäubles, die Rolle des EU-Währungskommissars zu stärken, habe „Chaos“ angerichtet, hieß es. Unterdessen haben Griechenland und die Troika sich „in den meisten Kernfragen“ eines neuen Auflagenpakets geeinigt.

Von [Werner Mussler](#), Brüssel



© AFP

Schäubles Vorstoß habe für „hoffentlich konstruktives Chaos“ gesorgt, hieß es vor dem EU-Gipfel.

In der EU herrscht vor dem Gipfeltreffen der Staats- und Regierungschefs an diesem Donnerstag und Freitag in Brüssel Uneinigkeit darüber, wie der Euroraum mittelfristig zu einer „echten Währungsunion“ ausgebaut werden soll. In mehreren Hauptstädten wurde am Mittwoch weitere Kritik an dem Reformbericht laut, den Ratspräsident Herman Van Rompuy in der vergangenen Woche als Diskussionsgrundlage für den Gipfel vorgelegt hat. Mehrere Diplomaten berichteten von grundlegenden Meinungsverschiedenheiten über den Inhalt des Papiers.

Für zusätzliche Irritationen sorgte in Brüssel die Forderung von Bundesfinanzminister Wolfgang Schäuble (CDU), den EU-Währungskommissar mit dem Recht auszustatten, nationale Haushalte für ungültig zu erklären. Der Vorschlag steht nicht auf der Tagesordnung des Treffens, da er in Van Rompuys Reformbericht nicht auftaucht. Ein EU-Diplomat sagte, Schäubles Äußerungen hätten ein „hoffentlich konstruktives“ Chaos angerichtet. Die Bundesregierung ließ offen, ob Bundeskanzlerin Angela Merkel (CDU) auf dem Gipfel auch für Schäubles Vorschläge werben wird. In Berlin hieß es lediglich, Merkel und Schäuble hätten „exakt die gleiche Analyse“ der bestehenden Probleme der Währungsunion. Die Kanzlerin werde diese „gesamte Analyse“ auf dem Gipfel vertreten.

Entscheidungen der Staats- und Regierungschefs zur Lösung der griechischen Schuldenkrise sind auf dem Gipfel nicht geplant. Diese sollen den Euro-Finanzministern überlassen werden. Vorgesehen ist lediglich eine allgemeine Erklärung, in der die bisherigen Spar- und Reformbemühungen der Athener Regierung gelobt werden.

„Troika“ mit griechischen Behörden über neue Sparauflagen einig

Unterdessen hat die „Troika“ der Geldgeber ihre Verhandlungen in Athen abgeschlossen. Es gebe mit den griechischen Behörden zwar Einigkeit über die meisten Spar- und Reformvorhaben, doch weitere Diskussionen seien nötig, berichtete die Kommission in Brüssel. Auch der griechische Ministerpräsident Samaras sagte am Abend in Bukarest, eine Einigung stehe kurz bevor. Die Inspektoren erklärten, bei den meisten Kernthemen sei Einigkeit erzielt worden. Ein griechischer Regierungsvertreter sagte, bei den geforderten und im Land heftig umstrittenen Arbeitsmarktreformen gebe es noch Differenzen.

Die Experten von Internationalem Währungsfonds, EU-Kommission und Europäischer Zentralbank sollten noch am Mittwoch aus Athen abreisen, um beim EU-Gipfel in Brüssel die Staats- und Regierungschefs über den Stand der Reformen zu informieren. Samaras äußerte sich bei einem Treffen der europäischen Konservativen optimistisch, die Forderungen der Troika mit denen der Regierungskoalition in Einklang zu bringen.

Von dem im November erwarteten Bericht der Inspektoren hängt ab, ob das hoch verschuldete Griechenland eine weitere Tranche über 31 Milliarden Euro aus dem Hilfspaket von IWF und EU erhält. Es wird erwartet, dass der Bericht Griechenland deutliche Defizite bei der Umsetzung der zugesicherten Reformen bescheinigt.

In Berlin wurde hervorgehoben, es werde keine „Ex-Ante-Zusagen“ geben. Offen blieb am Mittwoch auch, ob Spanien einen Antrag auf Hilfe des Krisenfonds ESM einreichen wird.

Die Staats- und Regierungschefs hatten die vier Präsidenten von Europäischem Rat, EU-Kommission, Europäischer Zentralbank (EZB) und Eurogruppe im Juni beauftragt, Vorschläge für eine weit reichende Umgestaltung der Währungsunion auszuarbeiten.

Die Reformvorschläge betreffen eine Bankenunion, eine verstärkte Haushaltsaufsicht durch die EU, mehr europäischen Einfluss auf die nationale Wirtschaftspolitik sowie die Frage, wie sich diese zusätzlichen Kompetenzen demokratisch legitimieren lassen. Auf all diesen Feldern besteht Uneinigkeit. So lehnt die Bundesregierung weiterhin jede Vergemeinschaftung von Staatsschulden ab. In Van Rompuy's Papier ist dagegen von der Schaffung eines Altschuldentilgungsfonds und von Instrumenten zur kurzfristigen gemeinsamen Verschuldung („Euro-Bills“) die Rede. Der französische Präsident Hollande ging noch weiter und forderte abermals die generelle Einführung von Eurobonds.

„Fiskalische Kapazität“ für den Euroraum umstritten

Offen ist das Schicksal der von Van Rompuy vorgeschlagenen „fiskalischen Kapazität“ für den Euroraum. Sicher ist nur, dass dieser „Euro-Haushalt“ erst langfristig zur Verfügung steht. In Berlin wurde hervorgehoben, es sei noch zu früh, über dessen Umfang zu entscheiden. Auch in der Frage der Mittelverwendung sind sich Berlin und Paris uneins. Die Bundesregierung sieht in der „Kapazität“ eine zeitlich begrenzte Möglichkeit, angeschlagenen Staaten Anreize für Wirtschaftsreformen zu geben. Frankreich will sie dagegen als möglichst umfassendes Instrument „fiskalischer Solidarität“ einsetzen. Genauso verhärtet bleiben die Fronten in der Frage, von welchem Zeitpunkt an der Krisenfonds ESM angeschlagene Banken direkt rekapitalisieren darf. Während Frankreich dafür die Voraussetzungen bis zum Jahreswechsel schaffen will, bekräftigte die Bundesregierung, dies sei undenkbar, weil sich bis dahin keine funktionierende Euro-Bankenaufsicht schaffen lasse.

Beschlüsse sind erst für Dezember vorgesehen

Der bevorstehende Gipfel gilt in der Diskussion der Vorschläge als Zwischenstation. Van Rompuy erwartet von den Staats- und Regierungschefs ein Mandat, welche seiner Vorschläge er weiter sondieren soll. Beschlüsse sind erst für ein Gipfeltreffen im Dezember vorgesehen. In der Bundesregierung hieß es, erst später sei zu klären, ob die Europäischen Verträge geändert werden müssten. Schäuble hatte dagegen gefordert, schon im Dezember einen gut vorbereiteten und mit engem Zeitrahmen versehenen Verfassungskonvent einzusetzen. In Brüssel herrscht dagegen die Einschätzung vor, dass Vertragsänderungen erst nach der Europawahl 2014 in Angriff genommen werden können.

Der FDP-Fraktionsvorsitzende Brüderle lehnte die von Schäuble vorgeschlagene Aufwertung des Währungskommissars ab; ein solcher Kommissar wäre „ein Oberaufseher der deutschen Gesetzgebung“, kritisierte er. Der Präsident des Europaparlaments, Schulz (SPD), gab Schäuble dagegen Recht. „Wir brauchen jemand, der die Haushaltsdisziplin durchsetzen kann“, sagte Schulz im Deutschlandfunk. EZB-Direktoriumsmitglied Asmussen sagte, Schäuble habe einen „ganz wichtigen Punkt“ angesprochen – „dass wir in Zukunft mehr Souveränität in Europa teilen müssen, um den Stabilitätsanforderungen, die eine Währungsunion hat, Rechnung zu tragen“.

Daily chart

The maths behind the madness

Oct 17th 2012, 14:38 by The Economist online

Our interactive guide to government-debt dynamics

ALL EYES are on Spain ahead of the European Council's two-day meeting in Brussels beginning on October 18th. In just three short years, the country's horrendous housing bust and subsequent recession have caused government debt to increase from a sustainable 40% of GDP in 2008 to 70% of GDP in 2011. Despite brutal government spending cuts, by the end of this year the IMF forecasts government debt will reach 90% of GDP. The question of whether Spain will seek a bail-out preoccupies markets and policymakers alike.

Our interactive graphic below shows the IMF's latest forecasts (updated in October 2012) for government gross debt as a percentage of GDP through to 2017. It also allows you to input your own long-term assumptions to project the likely path of debt to 2020.

There are two things that matter in government-debt dynamics: the difference between real interest rates and GDP growth ($r-g$), and the primary budget balance as a % of GDP (ie, before interest payments). In any given period the debt stock grows by the existing debt stock (d) multiplied by $r-g$, less the primary budget balance (p).

The simple $r-g$ assumption is one of the most important in debt dynamics: an $r-g$ of greater than zero (when interest rates are greater than GDP growth) means that the debt stock increases over time. An $r-g$ of less than zero causes it to fall.

Our interactive model uses the nominal interest rate (i) approximately equivalent to the ten-year bond yield and allows you to input your own inflation rate, π . Inflation helps reduce the total debt stock over time, by reducing the real value of debt. In our model and using approximations, $r-g$ becomes $i - \pi - g$. The greater the inflation rate, the lower $r-g$ becomes.

The second consideration is the primary budget balance. A primary budget surplus causes the debt stock to fall, by allowing the government to pay off some of the existing debt. A primary deficit needs to be financed by further borrowing. As European peripheral countries have found out to their cost, interest rates increase when governments run large budget deficits, and as they do it becomes increasingly difficult to reduce $r-g$ to a sustainable level.

In reality, these variables are all related. When inflation rises, for instance, bondholders will expect a higher nominal interest rate on new debt. If a country runs a larger primary surplus, the interest rate it is forced to pay may fall. Adjustments in countries' deficits will also affect their growth rates. To keep matters simple, we have ignored these interactions. Our calculator shows the evolution of a government's debt stock based directly on the values for inflation, growth, interest rates and the primary deficit that you determine.

Interactive charts... here...

Spain has lots of work to do. Keeping all things equal, the country would need to grow by 7.7% a year, or nominal bond yields to fall to a Teutonic 0.5% to stabilise government gross debt at its 2011 level of 70% of GDP. Fat chance: the IMF forecasts GDP growth to average just 0.5% a year and bond yields of 7.7% between 2012 and 2017. A bail-out for Spain it seems, is not a case of if, but when.

'Devastating Impact'

Euro Exit by Southern Nations Could Cost 17 Trillion Euros

A new study by a German think tank warns that a euro exit by Greece, Spain, Portugal and Italy would cut global GDP by 17 trillion euros and plunge the world into recession, with France suffering the biggest loss. A Greek exit alone would be manageable, but must be avoided to forestall a domino effect, it says.

A Greek euro exit on its own would have a relatively minor impact on the world economy, but if it causes a chain reaction leading to the departure of other southern European nations from the single currency, the economic impact on the world would be devastating, a German study warned on Wednesday.

Economic research group Prognos, in a study commissioned by the Bertelsmann Stiftung, estimated that euro exits by Greece, Portugal, Spain and Italy would wipe a total of €17.2 trillion (\$22.3 trillion) off worldwide growth by 2020.

The researchers arrived at a particularly bleak assessment because they didn't just calculate the losses of creditors who had lent money to the crisis-hit nations. They also analyzed the possible impact of a euro collapse on economic growth in the 42 most important industrial and emerging economies that make up more than 90 percent of the world economy.

Using an econometric model, Prognos first calculated the effect of a Greek euro exit, and then simulated the step-by-step fallout from Portugal, Spain and Italy abandoning the currency as well.

Chain Reaction Could Be 'Devastating'

"In their overall assessment, the authors of the study come to the conclusion that an isolated exit of Greece and an insolvency of this euro-zone country might well be something that the EU could cope with from a merely economic point of view," the Bertelsmann Stiftung said in a statement.

"At the same time, however, it is extremely difficult to assess if and to what extent this might trigger a wave of further euro-zone exits in Europe's south. If so, the implications for the global economy could be devastating."

A Greek exit on its own would lead to a loss of gross domestic product (GDP) totalling €164 billion, or €14,300 per capita, by 2020 through devaluation of the new currency, unemployment and a sharp fall in domestic demand, the researchers calculated.

It would cost Germany €64 billion in lost credit and €73 billion in lost economic growth between 2013 and 2020, the study said. But that only amounts to 2.9 percent of German GDP.

The impact of other countries leaving the currency union would be more dramatic:

- If Portugal went, Germany would lose €225 billion by 2020 and would have to write off credit amounting to €99 billion. Global losses in growth would add up to €2.4 trillion, with the US having to bear €365 billion and China €275 billion, respectively.
- If Spain were to go as well, Germany would lose €850 billion in GDP by 2020 and would have to waive €266 billion of credit. The US would lose €1.2 trillion in GDP, and the 42 countries under review would lose €7.9 trillion.

- If Italy, the euro zone's third largest economy, were to leave, "the situation would run totally out of control," the study said. It estimated that Germany would lose €1.7 trillion in GDP and would have to write off €455 billion in credit. German unemployment would increase by more than one million by 2015. There would be a "severe international recession and global economic crisis," the Bertelsmann Stiftung writes. The biggest losers would be France, followed by the US, China and Germany.

"In the current situation we have to make sure that the crisis in Europe does not turn into a wildfire," warned Aart De Geus, Chairman of the Bertelsmann Stiftung's executive board.

c/o

Hollande: «L'union politique suivra l'union budgétaire»

Par [Jim Jarrassé](#), [Marine Rabreau](#) Mis à jour le 17/10/2012 à 15:49 | publié le 17/10/2012 à 14:24 [Réactions](#) (18)



François Hollande. Crédits photo : PHILIPPE WOJAZER/REUTERS

Dans une interview accordée à plusieurs journaux européens à la veille du Conseil européen, le chef de l'État défend un renforcement du pilotage de la zone euro et confirme son objectif de réduction du déficit. Lefigaro.fr vous en livre les principaux points.

» Résoudre la crise économique avant tout

«Plus personne aujourd'hui ne pense que la zone euro va éclater. Maintenant, nous devons sortir de la crise économique». Pour François Hollande, la priorité est de régler le plus rapidement le cas grec. Quant aux Espagnols et aux Portugais, «le temps est venu (de leur) offrir une perspective au-delà de l'austérité. Aujourd'hui, ce qui nous menace, c'est autant la récession que les déficits», prévient le président français, qui se félicite des [décisions qui ont été prises lors du sommet européen de juin](#), qui ont permis de «calmer» les marchés. Reste à les appliquer vite: «L'objectif, c'est de tout régler d'ici à la fin de l'année».

» Plus de ressources mutualisées pour relancer la croissance

«Le retour à la croissance suppose de mobiliser des financements à l'échelle de l'Europe, explique François Hollande, qui appelle à ce que l'enveloppe de 120 milliards d'euros du pacte de croissance soit dépensée «vite et bien». Pour lui, le budget européen devrait mobiliser plus de ressources, car c'est «aussi un élément de stimulation de l'économie». Quant à la [taxe sur les transactions financières, acceptée par onze pays européens](#), elle pourrait être utilisée pour des «projets d'investissement» ou la «formation pour les jeunes».

» La réduction du déficit à 3% en 2013 maintenue

François Hollande réaffirme son engagement européen et son «objectif de réduction de déficit à 3% pour 2013 et de rétablissement de l'équilibre des comptes publics en 2017». Pourtant, [le FMI a revu en baisse ses prévisions de croissance pour la France](#) en 2012 (0,1%) et 2013 (0,4%) et estimé que Paris ne pourra pas respecter ses engagements sur les déficits ni cette année ni l'année prochaine. Le gouvernement, lui, a présenté son budget 2013 sur des hypothèses de PIB en hausse de 0,3% en 2012, puis 0,8% en 2013.

» «Une mutualisation partielle des dettes»

Incitant les Européens à «cesser de penser qu'il n'y aurait qu'un seul pays qui paierait pour tous les autres», François Hollande se dit favorable à «une mutualisation partielle des dettes, à travers les eurobonds» pour pouvoir «harmoniser les taux d'intérêt dans la zone euro». Le président français renvoie ainsi une nouvelle fois le sujet sur la table allemande, alors qu'[Angela Merkel reste réticente à la mise en place de ces euro-obligations](#). «Il ne peut être admis, dans un même espace monétaire que des pays se financent à 1% à dix ans et d'autres à 7%», martèle-t-il.

» Vers une «Europe à deux vitesses»

[François Hollande](#) milite pour un pilotage plus intégré de la politique économique de la zone euro. Il se prononce pour des réunions mensuelles des dirigeants des pays membres. Le président de l'Eurogroupe doit profiter d'un «mandat clair et suffisamment long», ajoute-t-il. «Ma démarche, c'est une Europe qui avance à plusieurs vitesses, avec des cercles différents (...) Certains pays ne veulent pas (rejoindre la zone euro) - c'est leur choix. Mais pourquoi faudrait-il qu'ils viennent nous dire comment doit être dirigée la zone euro?», s'interroge le chef de l'État.

» L'union politique après les européennes de 2014

Alors que l'Allemagne considère l'union politique - une Europe plus intégrée disposant de compétences nouvelles - comme un préalable à l'union bancaire et budgétaire, François Hollande est d'un avis différent. «L'union politique, c'est après, c'est l'étape qui suivra l'union budgétaire, l'union bancaire, l'union sociale. Elle viendra donner un cadre démocratique à ce que nous aurons réussi de l'intégration solidaire», assure-t-il, fixant comme échéance les élections européennes de 2014. «Les plus empressés à parler de l'union politique sont parfois les plus réticents à prendre les décisions urgentes qui la rendraient pourtant incontournables», déclare le président, assurant qu'il «ne vise personne en particulier».

» Angela Merkel? «Elle dit les choses»

François Hollande expose sa vision du couple franco-allemand, qui a «un devoir d'union» et de «cohérence» pour permettre «l'accélération» de l'intégration au sein de la zone euro. «Est-ce que ce doit être une relation exclusive? Non! L'Europe ne se décide pas à deux. L'amitié franco-allemande doit agréger, associer, assembler», ajoute François Hollande. Le chef de l'État salue la franchise d'[Angela Merkel](#), qui facilite selon lui la recherche de compromis: «Elle est claire, elle dit les choses... Cela fait gagner du temps. Et j'ai la même démarche. Alors, ensuite, de nos points de départ, nous cherchons à trouver le meilleur point d'arrivée».

» Hollande et «l'idéal européen»

Se félicitant du [prix Nobel de la paix attribué à l'Union européenne](#), François Hollande rend hommage aux pères fondateurs «capables d'avoir réussi la paix au lendemain d'un carnage». Mentionnant Jean Monnet, de Gaulle et Mitterrand, le chef de l'État lie «l'idéal européen» au «rêve français» et décrit l'Europe comme «la plus belle aventure pour notre continent». Une Europe aujourd'hui menacée par le nationalisme et le désamour, prévient Hollande. Le risque pour l'UE est «de n'être regardée au mieux que comme un guichet austère, où les uns viendraient chercher des fonds structurels, d'autres une politique agricole, un troisième un chèque, au pire comme une maison de redressement. À elle de donner du sens à son projet, mais aussi de l'efficacité à ses décisions», assure le chef de l'État.

Angela Merkel

Europäerin aus Vernunft

FAS 13.10.2012 · Angela Merkel kommen keine Tränen, wenn sie über Europa spricht. Sie hat auch keine Visionen, nur ein klares Ziel: Sie will eine Union, die ihren Wohlstand in der globalen Welt bewahren kann.

Von [Thomas Gutschker](#) und [Eckart Lohse](#)

Angela Merkels erster Tag in Europa war der 16. Mai 1990. Die stellvertretende DDR-Regierungssprecherin flog nach Straßburg. Eigentlich wäre das Sache des ersten Regierungssprechers gewesen, aber der hatte Flugangst. So fand Merkel sich plötzlich wieder im Palais de l'Europe, wo die Abgeordneten über den Asylkompromiss von Dublin berieten und über die nun fast unvermeidliche deutsche Einheit. Kaum jemand nahm Notiz von Merkel. Sie begleitete ja nur den ersten frei gewählten Ministerpräsidenten der DDR, Lothar de Maizière, und der hatte im Parlament nicht einmal Rederecht.

Turbulent war ihr Besuch in der Europastadt trotzdem. De Maizière wollte so viele europäische Nachbarn kennenlernen wie möglich, er traf Botschafter, den Parlamentspräsidenten, Kommissionschef Delors und Bundeskanzler Kohl. Merkel knüpfte Kontakte zu Journalisten und versuchte die rätselhafte Innenwelt Europas zu verstehen. Das sei auch emotional gewesen für sie, sagt Elmar Brok, schon damals CDU-Europaabgeordneter und Mitorganisator von de Maizières Trip: „Europa, das war für sie das Gegenteil der Sowjetunion: Es stand für Reisefreiheit, für persönliche Freiheit.“

Brok bekam aber auch die kühle, die nüchterne Seite Merkels zu spüren. Am Morgen des 17. Mai saß er um sieben Uhr mit einer zunehmend verärgerten Regierungssprecherin im Frühstücksraum des Hilton-Hotels. Ihr Chef tauchte nicht zum vereinbarten Frühstück mit dem Fraktionsvorsitzenden der Europäischen Volkspartei (EVP) auf. Merkel sandte Blitze aus: Sie hatte die Nacht im Hotel verbracht, Brok und de Maizière waren dagegen durch Straßburg gezogen. Als der Ministerpräsident dann verspätet mit nassem Haar am Tisch erschien, wirkte es auf Anwesende so, als habe Merkel ihn persönlich aus der Dusche gezerrt. Brok sollte trotzdem einer ihrer wichtigsten Gesprächspartner in Sachen Europa werden, bis heute.

Aus der stellvertretenden Regierungssprecherin wurde schnell eine Bundesministerin, erst zuständig für Frauen, dann für Umwelt. Besonders das zweite Amt brachte viele Europa-Bezüge mit sich. Doch die waren operativer Natur. Angela Merkel musste sich ständig mit den Fachministern der anderen EU-Länder abstimmen. Die Frage nach der Zukunft Europas - das war Helmut Kohls Sache. Merkel hielt keine Grundsatzreden.

Mehr Gewicht bekam Europa für sie erst, nachdem sie im Jahr 2000 zur CDU-Vorsitzenden aufgestiegen war. Zwar musste sie als Oppositionspolitikerin die EU-Geschäfte dem sozialdemokratischen Kanzler Gerhard Schröder überlassen. Aber über die EVP mischte sie schnell mit. Das zeigte sich im Sommer 2004: Ein neuer Kommissionspräsident wurde gesucht. Schröder und der französische Präsident Chirac favorisierten den belgischen Liberalen Guy Verhofstadt. Den wollte die CDU-Vorsitzende verhindern. Sie baute mit Hilfe der britischen Konservativen einen Gegenkandidaten auf, EU-Kommissar Chris Patten. Ziel war gar nicht, dass er Kommissionspräsident würde, vielmehr sollte durch seine Kandidatur die Wahl Verhofstadts vereitelt werden. Der Trick gelang. Kurz darauf wurde ebenfalls auf Betreiben Merkels der heutige Präsident José Manuel Barroso gewählt. „Wie sie Barroso zum Kommissionspräsidenten gemacht hat, das war eine Feuertaufe, die beide zusammenschweißt hat“, ist in Barrosos Umfeld zu hören.

Klassische Machtpolitik beherrschte sie aus dem Effeff

Es war das erste Beispiel für Angela Merkels virtuosen Umgang mit dem europäischen Gefüge: klassische Machtpolitik, die sie aus dem Effeff beherrschte. Gute Dienste leistete ihr damals Peter Hintze. Er war Parlamentarischer Staatssekretär bei der Ministerin Merkel. Der frühere CDU-Generalsekretär, heute Staatssekretär im Wirtschaftsministerium, ist bestens vernetzt in Europa. Seit 2002 ist er stellvertretender

Vorsitzender der EVP und hat enge Kontakte zu den Schwesterparteien der CDU. Wenn Merkel Mehrheiten braucht für europäische Initiativen, hat Hintze öfter seine Finger mit im Spiel. Rat sucht Merkel in Europa-Fragen auch bei Peter Altmaier. Der war am Anfang seiner Karriere mal Kommissionsbeamter, ist polyglott und ebenfalls gut vernetzt in den Nachbarstaaten.

Als Merkel Ende 2005 ins Kanzleramt einzog, wurde Europa endgültig zu ihrer zweiten Hauptbühne. Sie kam mitten hinein in die Grundsatzdebatte über die Zukunft der EU, über den Verfassungsvertrag, der just in den Gründungsstaaten Frankreich und Niederlande bei Volksentscheiden abgelehnt worden war. Für Merkel ging es nun erstmals um das große Ganze. Hatte sie eine Idee, eine Vision von Europa? Die Nachbarn erwarteten Antworten.

Was sie zuerst von der Neuen aus Deutschland zu sehen bekamen, weckte Erwartungen. Es ging um die EU-Haushaltsplanung, alles schien geregelt, da stellte sich auf einmal Polen quer. Warschau forderte mehr Geld. Merkel rettete ihren ersten Gipfel, indem sie auf 100 Millionen Euro verzichtete, die Deutschland zugestanden hätten. Die Nachbarn dachten: Das ist Europa-Politik nach Kohl'scher Manier. Deutschland zahlt - weil ihm die europäische Sache wichtiger ist als alles andere. Einer, der sich in Brüssel daran noch gut erinnert, schüttelt heute ungläubig den Kopf: Wie sich die Zeiten doch geändert haben.

Ein Jahr nach ihrer Wahl zur Kanzlerin, im November 2006, bekam Angela Merkel in Luxemburg den „Visions for Europe Award“ verliehen. In ihrer Dankesrede wies sie auf die bevorstehende deutsche Ratspräsidentschaft hin und auf die Notwendigkeit, sich mit dem Verfassungsvertrag zu beschäftigen: „Wenn wir jetzt nach Visionen für das Europa im 21. Jahrhundert fragen, dann gibt es vieles zu tun, was als Vision begonnen hat und was im Augenblick ein Stück feststeckt.“ Sie sprach nicht über institutionelle Veränderungen, über die Direktwahl des Kommissionspräsidenten oder einen Bundesstaat Europa, sondern über die Probleme des Binnenmarktes. Der sei kein Selbstzweck, die Europäer müssten sich klar darüber sein, was sie mit dem Binnenmarkt anstellen wollten: „Im Grunde geht es hier auch nicht um eine Vision, sondern um ein Problem.“

Als wollte sie die Bedeutungslosigkeit des Begriffs deutlich machen, stellte Merkel gegen Ende ihrer Rede noch eine „private Vision“ vor. Sie würde sich wünschen, dass die Richtlinien der EU-Kommission nur so lange gültig seien, wie die Legislaturperiode des Europäischen Parlaments dauere. Ein Detail, vielleicht sogar ein wichtiges. Aber hätte Helmut Kohl das schon als Vision von Europa akzeptiert?

Es geht ihr nicht um eine immer engere Union

Hat Angela Merkel vielleicht gar keine Idee von Europa? Das zu sagen sei unfair, sagt jemand, der die Kanzlerin gut kennt. Jedenfalls sei sie von Europa zutiefst überzeugt. In der Tat lässt Merkel keine Gelegenheit aus, ihre Überzeugung zu bekunden, dass Europa zusammenwachsen und gemeinsam Stärke entwickeln muss. Doch geht es ihr dabei nicht um eine immer engere Union, jedenfalls nicht als Selbstzweck. Eine einheitliche Arbeitslosenversicherung in ganz Europa - um nur ein Beispiel zu nennen - strebt die Regierung Merkel nicht an. Auch bei der institutionellen Weiterentwicklung steht Berlin nicht auf dem Gas. Was würde denn eine Direktwahl des Kommissionspräsidenten nützen, wenn das nicht die Wettbewerbsfähigkeit Frankreichs fördert, fragt einer in Berlin. Für Merkel muss Europa vor allem mit seinem Wirtschafts- und Wohlstandsmodell in der globalisierten Welt bestehen können. Merkel, so sagen es diejenigen, die sie kennen, misst Deutschland an der Konkurrenz der globalisierten Wirtschaftswelt. Sie weiß, dass dieser Wettbewerb nur mit Hilfe einer ökonomisch konkurrenzfähigen Union zu bestehen ist.

Diese Haltung kennzeichnet auch ihren Umgang mit der europäischen Schuldenkrise. Im März 2010 verkündete sie im Bundestag, notfalls müsse man ein „Land aus dem Euroraum ausschließen, wenn es die Bedingungen langfristig immer wieder nicht erfüllt“. Sechs Wochen später legten die Staats- und Regierungschefs - mit Merkels Einverständnis - ein riesiges Kreditprogramm für Griechenland auf und spannten den ersten Rettungsschirm über die Eurozone. Merkel sprach zum ersten Mal ihr Mantra aus: Scheitert der Euro, dann scheitert Europa. Aber sie tat zugleich so, als gehe die Krise schnell wieder vorüber - und wurde dann von den nächsten Hiobsbotschaften eingeholt. Erst über den Sommer 2011, so berichtet es einer in Berlin, sei klargeworden, dass man nur noch die Wahl habe, Europa zu bewahren oder den letzten Champagner auf der untergehenden Titanic zu trinken. Bei einer Fraktionsvorstandsklausur am Ende der Sommerpause wurde Merkel mit den Worten vernommen, sie werde nicht die historische Schuld auf sich nehmen, dass der Euro

scheitere. Von da an gab es für sie nur noch die Devise, die Eurozone zu retten, Griechenland inklusive. Allerdings darf sie das nicht zu laut sagen. Wegen der Griechen, die sonst alle Bemühungen einstellen würden. Und noch aus einem anderen Grund.

Kommissionspräsident Barroso hat sich mal bei Merkel erkundigt, warum sie in der Öffentlichkeit mitunter skeptischer über Europa rede als im persönlichen Gespräch. Sie antwortete mit einer Gegenfrage. Ob er sich eine Wilders-Partei in Deutschland wünsche? Sollte heißen: Sie darf Europaskeptiker und Rechtspopulisten nicht ausgrenzen. Merkel machte dem Kommissionschef auch klar, warum Deutschland nicht mehr vorangehe bei Integrationsschritten, sondern die anderen warten lasse. Sie könne den nächsten Schritt nur gehen, wenn er sich als Ultima Ratio darstellen lasse, als letzter Ausweg, im Grunde alternativlos. Dass die Rettungskosten dadurch womöglich steigen, nimmt sie in Kauf.

Merkel und Barroso pflegen engen Kontakt, sie telefonieren auch am Wochenende, der Portugiese versteht sogar Deutsch. Trotzdem ist die Kommission nicht Merkels erste Wahl, wenn sie europäische Probleme löst. Die Kommission und das Parlament stehen für das, was in Brüssel Gemeinschaftsmethode heißt: Sie werden in den Bereichen tätig, die vergemeinschaftet sind, mit Initiativen, Verordnungen, Gesetzen. Die Kanzlerin setzt dagegen auf zwischenstaatliche Zusammenarbeit. Das ist mitunter auch einfacher: Es reichen ein paar Anrufe in den Hauptstädten, um etwas auf den Weg zu bringen. Zumindest, solange sich kein Mitgliedsland querstellt. Intergouvernementale Methode heißt das im Euroslang. Beide Methoden ergänzen einander, doch bei jedem neuen Politikfeld stehen sie in Konkurrenz.

Sie will keinen Bundesstaat Europa, sondern einen Staatenverbund

So deutlich wie vorher und nachher nie wieder hat die Kanzlerin ihren Ansatz am Ende des ersten Jahres der Schuldenkrise im Euroraum artikuliert. Am 2. November 2010 trat sie in Brügge vor die neuen Studenten des Europakollegs. Junge Leute, denen der europäische Geist in Fleisch und Blut übergehen soll. Die Kanzlerin sprach kühl, sogar spitz: Manchmal scheine es ihr, als verstünden sich die „Vertreter im Europäischen Parlament und in der Europäischen Kommission als die einzig wahren Verteidiger der Gemeinschaftsmethode“. Dagegen rege sich in ihr immer wieder Widerspruch: „Eine Lösung ist ja nicht automatisch und allein dadurch besser, dass sie durch EU-Organe herbeigeführt oder ausgeführt wird.“ Oft finde sich ein koordinierter europäischer Standpunkt nicht nur, indem die Gemeinschaftsmethode angewandt werde, sondern eben auch mit Hilfe des intergouvernementalen Ansatzes.

Deutlicher ließ sich nicht sagen, dass die Regierungschefin des ökonomisch potentesten und in der Krise noch am besten dastehenden Mitgliedstaates sich die Regie bei der Rettung des Euro nicht von den Brüsseler Institutionen aus der Hand nehmen lassen würde. Merkel wolle, so sagt es einer in Berlin, keinen Bundesstaat Europa, sondern einen Staatenverbund, ein „Europa der Vaterländer“. Das klingt nach Madame de Gaulle.

Es dauerte nicht lange, bis sich Merkels Vortrag am Europa-Kolleg in Brüssel herumsprach. Im Parlament und in der Kommission schrillten die Alarmglocken: War das Merkels Abschied von der Vision eines immer enger zusammenarbeitenden Europas? Brok hat mehrmals mit Merkel darüber diskutiert. „Sie sah lange die Gemeinschaftsmethode des supranationalen Europas, die die Gründerväter Schuman und Adenauer bewusst als Gegensatz zu bloßen Regierungsbeziehungen durchgesetzt haben, nur als eine Art des Handelns“, erinnert er sich. Inzwischen spreche sie doch etwas anders als in Brügge. „Heute wird deutlich, dass die Politische Union für sie auch eine Herzensangelegenheit ist.“ Betonung auf auch: Die große Erzählung, die einer wie Brok sich wünscht, gibt es von ihr nicht.

Die Emotionalität Helmut Kohls ist ihr fremd

Angela Merkel kämpft aus tiefer, aber eben rationaler Überzeugung für Europa. Die Emotionalität eines Helmut Kohl ist ihr fremd. Immerhin stellt sie sich ihrer Partei beim Träumen von einem noch tiefer integrierten Europa nicht in den Weg. Im November 2011 beschloss die CDU auf ihrem Parteitag in Leipzig unter Führung der Vorsitzenden Merkel einen umfassenden europapolitischen Antrag. Darin heißt es: „Wenn wir Zuständigkeiten an die Europäische Union abgeben, gewinnen wir durch das gemeinsame Gewicht der Europäischen Union an Einfluss.“ Gefordert wird sowohl, dass der Kommissionspräsident „künftig von allen Unionsbürgern direkt

gewählt wird“als auch die Herstellung einer politischen Union mit Zweikammersystem. Das soll aus dem Europäischen Parlament und dem Ministerrat bestehen.

Das dürfte auf absehbare Zeit Parteitagsrhetorik bleiben. Merkels operative Vorstöße zielen nicht in diese Richtung. Sie ist zwar bereit, die europäischen Verträge zu ändern, wenn das geht. Aber sie will damit nicht mächtigere Institutionen schaffen, sondern die Mitgliedstaaten finanz- und haushaltspolitisch enger an die Kette legen. Im Kabinett, so wird berichtet, bremse sie Vorstöße zu mehr Integration geradezu aus.

Auf die Bundestagsfraktion bleibt Merkel angewiesen, wenn es um neue Rettungspakete geht. Ende Juli schickte sie den EVP-Mann Brok zum griechischen Regierungschef Antonis Samaras, um eine Botschaft zu übermitteln: Unsere Geduld ist am Ende, die Trickserei muss aufhören. Brok und Samaras kennen einander seit ewigen Zeiten. Trotzdem brauchte der Grieche zwei Minuten, um sich von dem Schrecken zu erholen. Brok machte ihm die politische Zwickmühle klar, in der Merkel steckt: Nur wenn Samaras selbst die Argumente liefere, könne sie die Fraktion davon überzeugen, Griechenland weiter zu helfen. „Ich wünsche mir, dass Griechenland in der Eurozone bleibt“, sagte die Kanzlerin vergangene Woche bei ihrem ersten Besuch in Griechenland seit Beginn der Krise. Samaras dürfte die Botschaft verstanden haben: Sie wünscht es sich, aber sie kann es nicht garantieren - schon wegen ihrer eigenen politischen Zwänge. Immerhin: „„Es ist aller Mühen wert, sich für Europa einzusetzen“, sagte Merkel am Freitagabend anlässlich des Friedensnobelpreises für die EU.

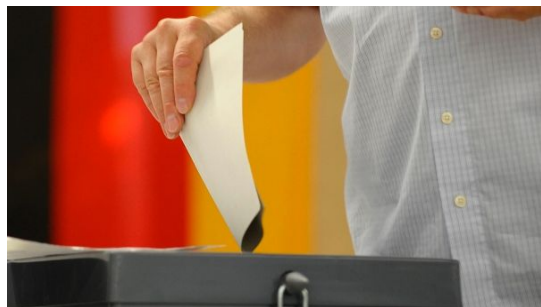
Auf dem Brüsseler Parkett ist Merkel nach sieben Jahren Kanzlerschaft die unangefochtene Nummer eins im Kreis der europäischen Staats- und Regierungschefs. Das liegt nicht nur am Gewicht des größten Mitgliedslandes. Es liegt auch an ihrem Erfolg: Sie hat blendende Umfragewerte. Und sie hat alle anderen abgehängt, Sarkozy, Berlusconi, Zapatero. Nach Jean-Claude Juncker hat sie die meiste Erfahrung auf dem EU-Parkett. Sie kennt die Dossiers, bis in entscheidende Details. Da geraten sogar Kommissionsbeamte ins Schwärmen.

Quelle: F.A.S.

Die Reaktionen der Deutschen auf die Krise Entspannter Fatalismus

FAZ 16.10.2012 · Die Krise Europas lässt in Deutschland keine massiven antieuropäischen Ressentiments wachsen, wohl aber ein Empfinden von Ohnmacht. Viele fühlen sich von der Komplexität der Krise überfordert.

Von Renate Köcher



© dapd 58 Prozent derer, die nicht zur Wahl gehen, meinen, ohnehin nichts beeinflussen zu können

Die Reaktionen der Bürger auf die anhaltenden Probleme in der Eurozone sind eigentümlich. Die Mehrheit ist über die Krise außerordentlich beunruhigt und auch überzeugt, dass das Schlimmste eher noch bevorsteht. Die meisten machen sich zudem Sorgen, ob es überhaupt gelingen kann, die Krise zu beherrschen und in den Griff zu bekommen. Zwei Drittel befürchten, dass die Kosten für die Rettungsmaßnahmen Deutschland finanziell überfordern werden. Die Probleme Griechenlands hält die überwältigende Mehrheit für unlösbar. Und was besonders schwer wiegt: Erstmals zweifelt die Mehrheit an der Überlebensfähigkeit der europäischen Währung.

Seit Ende 2011 ist die Überzeugung, dass es den Euro in zehn Jahren noch geben wird, von 50 auf 40 Prozent zurückgegangen, während sich der Kreis der Zweifler von 41 auf 53 Prozent vergrößert hat. Dennoch gibt es bisher keinerlei Anzeichen, dass sich die Bevölkerung von der Gemeinschaftswährung und von Europa abwendet. Obwohl das Vertrauen in die europäische Währung auf einem Tiefpunkt angekommen ist, gilt die Rückkehr zur nationalen Währung nicht als vielversprechender Ausweg. Die Mehrheit möchte die europäische Gemeinschaftswährung beibehalten. Nur jeder Fünfte glaubt an positive ökonomische Folgen, wenn der Euro zugunsten einer nationalen Währung aufgegeben würde.

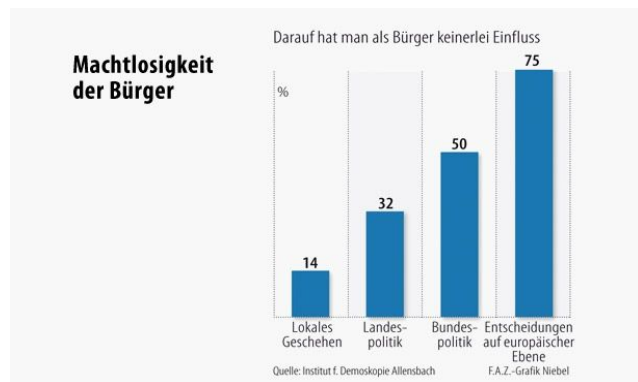
Die Skepsis wächst mit der Rezession

Nur 33 Prozent der Bürger sind überzeugt, dass der Euro für Deutschland überwiegend Nachteile mit sich bringt. Auch ein Ausscheiden Griechenlands aus der Eurozone wird bemerkenswert ambivalent beurteilt. Obwohl 64 Prozent nicht an eine Lösung der Probleme Griechenlands glauben, sind nur 30 Prozent überzeugt, dass ein Ausscheiden des Landes aus der Eurozone überwiegend positive Folgen hätte. 24 Prozent befürchten überwiegend negative Auswirkungen, 32 Prozent sind überzeugt, dass sich dadurch nicht viel ändern würde.

Während sich in den südeuropäischen Ländern teilweise das Empfinden breitmacht, dass alles Unheil von der europäischen Ebene und durch die Mitgliedschaft im europäischen Verbund erwächst, bewertet die deutsche Bevölkerung die Mitgliedschaft in der EU heute positiver als noch vor einem Jahr. Anfang 2011 waren immerhin 32 Prozent der Bürger überzeugt, dass die Mitgliedschaft in der EU für Deutschland überwiegend Nachteile mit sich bringt; heute sind davon nur noch 21 Prozent überzeugt. Jeder Vierte geht davon aus, dass die Vorteile überwiegen, 44 Prozent, dass sich Vor- und Nachteile ausgleichen.

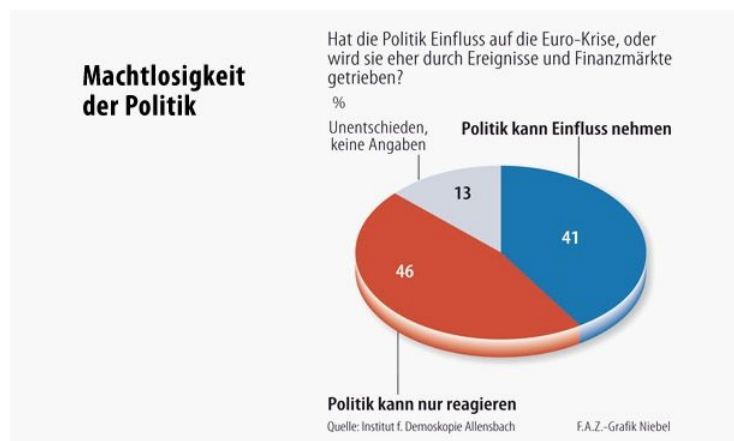
Diese ambivalente Haltung wirkt auf den ersten Blick vielleicht enttäuschend kühl. In den letzten zwanzig Jahren waren jedoch nie mehr als 27 Prozent der Bürger überzeugt, dass die Mitgliedschaft in der EU überwiegend Vorteile bringt, dagegen wiederholt nahezu 40 Prozent, dass daraus überwiegend Nachteile erwachsen. Dabei zeigt sich das Muster, dass die Skepsis gegenüber Europa in wirtschaftlichen

Schwächephasen im Allgemeinen wächst und sich danach wieder zurückbildet. Die bisher robuste deutsche Konjunktur hat wesentlich dazu beigetragen, die Haltung der Bürger zu Europa inmitten der Krise nicht nur zu stabilisieren, sondern hat teilweise sogar den Rückhalt für Europa gestärkt.



Die Krise hat bisher in Deutschland keine massiven antieuropäischen Ressentiments wachsen lassen, sehr wohl aber ein Empfinden von Ohnmacht und Fatalismus. Die Bürger haben den Eindruck, dass sie die Situation nicht beurteilen, geschweige denn beeinflussen können. 76 Prozent fühlen sich von der Komplexität der Probleme überfordert und ziehen die Bilanz, dass sie weder die Situation in der Eurozone noch die Maßnahmen, die zur Bewältigung der Krise diskutiert werden, bewerten können. Auch die politisch interessierten Bevölkerungskreise strecken die Waffen. Von den Experten erhoffen sich die Bürger kaum noch Hilfe bei ihrer Meinungsbildung. 84 Prozent empfinden die Stellungnahmen der Experten als völlig dissonant und entsprechend ungeeignet, um sich ein eigenes Urteil zu bilden.

Die überwältigende Mehrheit hat jedoch auch den Eindruck, dass diejenigen, die die schicksalhaften Entscheidungen treffen müssen - die Politiker - genauso von der Situation überfordert sind wie die Bürger selbst. Nur 12 Prozent haben das beruhigende Gefühl, dass die Politik klare Vorstellungen hat, wie die Krise zu beherrschen ist; 70 Prozent nehmen sie als unsicher und ratlos wahr. Es überwiegt sogar der Eindruck, dass die Politik nicht nur ratlos, sondern sogar machtlos ist. Nur 41 Prozent der Bürger sind überzeugt, dass die Politik einen gezielten Einfluss auf den Verlauf der Krise nehmen kann; 46 Prozent halten dagegen, dass die Politik von den Ereignissen und den Finanzmärkten getrieben wird und eigentlich nur reagieren kann.



Eine solche Sichtweise lässt Vorwürfe, die Regierung handle zu pragmatisch, ohne klar erkennbaren Kurs, zwangsläufig ins Leere laufen. Wer überzeugt ist, dass die Politik letztlich nicht Herr des Geschehens ist, muss ein pragmatisches „Auf-Sicht-Fahren“ als die naheliegende Verfahrensweise ansehen. Dieser pragmatische Kurs hat unter anderem zu dem fast kuriosen Ergebnis geführt, dass die CDU/CSU in der Bevölkerung gleichzeitig als die Partei gilt, die am ehesten weitreichende Zugeständnisse an verschuldete Staaten verhindert, als auch als die Partei, die sich besonders für die Interessen dieser Staaten einsetzt. Trotz ihrer Sorgen, dass Deutschland sich mit den Rettungsmaßnahmen finanziell übernehmen könnte, ist die Mehrheit der Bevölkerung mit der Vertretung deutscher Interessen auf europäischer Ebene zufrieden.

Es muss jedoch bewusst sein, dass diese Zufriedenheit ganz wesentlich davon abhängt, ob es auch weiterhin gelingt, die unmittelbaren Auswirkungen der Krise von der deutschen Bevölkerung fernzuhalten. Auch wenn

bisher nicht festzustellen ist, dass sich verstärkt antieuropäische Ressentiments herausbilden, steht die Bevölkerung einer Vertiefung der europäischen Integration ausgesprochen skeptisch gegenüber. Während führende Politiker und auch die Mehrheit der Führungsspitzen der Wirtschaft den Ausweg in einem Vorantreiben der Integration und dem partiellen Verzicht auf nationale Souveränitätsrechte sehen, sprechen sich zwei Drittel der Bürger dagegen aus, dass die Mitglieder der Eurozone in der Steuer- und Wirtschaftspolitik mehr Zuständigkeiten an die europäische Ebene abtreten.

Die Bürger verbinden mit einer weitergehenden Integration nicht nur die Sorge, dass ihre Interessen verstärkt hinter die Interessen anderer Länder zurücktreten müssen, sondern dass der Einfluss der Bürger auf die politischen Entscheidungen generell kleiner wird. Je höher die politische Ebene, desto geringer schätzen die Bürger ihre Einflussmöglichkeiten ein. Im lokalen Bereich haben nur 14 Prozent den Eindruck, dass sie keinerlei Einflussmöglichkeiten haben, auf Länderebene dagegen 32 Prozent, im Bezug auf die Bundespolitik 50 Prozent. Noch weitaus größer sind die Ohnmachtsgefühle jedoch mit Blick auf die europäische Ebene. Hier sind 75 Prozent der Bevölkerung überzeugt, dass es für die Bürger keinerlei Einflussmöglichkeiten gibt (Schaubild links).

Selbst politisch engagierte Bürger, die ansonsten überwiegend davon ausgehen, dass sie Einfluss nehmen können, sehen auf europäischer Ebene keinerlei Chancen. Dies setzt dem Interesse an der Politik auf europäischer Ebene enge Grenzen. Während sich die Mehrheit der Bürger im Allgemeinen für Politik interessiert, bekunden nur 36 Prozent Interesse an den Entscheidungen, die in Brüssel oder im Europäischen Parlament in Straßburg gefällt werden. Besonders wenig interessiert sich die ostdeutsche Bevölkerung für Europapolitik: 38 Prozent der westdeutschen, 25 Prozent der ostdeutschen Bevölkerung interessiert, welche Entscheidungen in Brüssel oder in Straßburg getroffen werden.

Über die vergangenen Jahrzehnte hinweg ist das Interesse an der europäischen Politik nicht gewachsen - trotz der stark gestiegenen Bedeutung der europäischen Ebene für die Mitgliedsländer. Selbst die Krise in der Eurozone hat bisher nicht dazu geführt, dass sich das Interesse an den Diskussionen und Entscheidungen auf europäischer Ebene nennenswert erhöht hätte. Entsprechend weiß die überwältigende Mehrheit auch nicht, was auf europäischer Ebene entschieden wird, und kennt weder die Kommissare noch andere Spitzenpolitiker der europäischen Ebene, solange sie nicht länger in der nationalen Politik aktiv waren.

Die Frage, welche Rolle dem konstruktiv politisch interessierten Bürger in immer größeren und komplexeren politischen Strukturen zukommt und wie vermieden wird, dass sich das politische Leben zwischen Fatalismus und eruptiven Protesten bewegt, ist bisher nicht einmal ansatzweise beantwortet. Schon heute sind Ohnmachtsgefühle weit verbreitet. 58 Prozent der Bürger haben oft das Gefühl, dass man selbst mit Interesse und Engagement politisch nichts bewirken kann. 30 Prozent gehen so weit zu sagen, man solle sich vor allem um sein eigenes Leben kümmern, darüber hinaus lasse sich ohnehin nichts beeinflussen. Diese Einstellungen und politisches Desinteresse hängen eng zusammen.

In den vergangenen drei Jahren haben sich fatalistische Grundhaltungen verstärkt. Der Kreis, der überzeugt ist, dass die Bürger für die Entwicklung eines Landes mitverantwortlich sind, hat sich von 52 auf 44 Prozent verringert, die Einschätzung, dass die Bürger nur wenig Einfluss nehmen können, dagegen von 43 auf 50 Prozent verstärkt. Politisch Desinteressierte begründen ihre Haltung vor allem mit der Komplexität und Intransparenz politischer Entscheidungsprozesse, mit dem Gefühl, ohnehin nichts beeinflussen zu können, und mit Enttäuschung über die Politik.

60 Prozent der politisch Desinteressierten - sie machen immerhin knapp die Hälfte der Bevölkerung aus - begründen ihr mangelndes Interesse damit, dass sie politische Entwicklungen und Entscheidungsprozesse oft nur schwer nachvollziehen können. 58 Prozent meinen, ohnehin nichts beeinflussen zu können. Da die Komplexität der Probleme und Entscheidungen zwangsläufig weiter zunimmt, sollte nicht auch noch das Empfinden wachsen, dass sich die politischen Meinungsbildungsprozesse und Entscheidungen immer mehr verselbständigen und von den Diskussionen in der Bevölkerung abkoppeln. Dies wird im Zuge der europäischen Integration wesentlich schwieriger werden.

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Studie zu Schuldenkrise

„Grexit“ könnte 2,4 Billionen Euro Verlust bedeuten

FAZ 17.10.2012 · Ein Euro-Austritt Griechenlands könnte eine Welt-Wirtschaftskrise auslösen. Eine neue Studie der Bertelsmann Stiftung warnt vor weitreichenden Dominoeffekten.

Ein Austritt Griechenlands aus dem Euro trägt einer neuen Studie zufolge das Risiko eines europäischen und sogar internationalen Flächenbrandes und könnte eine weltweite Wirtschaftskrise zur Folge haben. Zu den Betroffenen würden nicht nur die Südeuropäer oder die Mitglieder der EU sondern auch Amerika, China und andere Schwellenländer gehören. Zu diesem Ergebnis kommt ein nun veröffentlichtes Papier der [Bertelsmann Stiftung](#), welches die finanziellen Folgen und erstmals auch die Wachstumsverluste für Deutschland sowie die 42 wichtigsten Industrie- und Schwellenländer bis zum Jahre 2020 in der Folge eines Euro-Austritts der Griechen oder weiterer Krisenländer analysiert hat.

Isoliert betrachtet wäre zwar ein Staatsbankrott Griechenlands und sein Euro-Austritt „für die Weltwirtschaft ökonomisch verkraftbar“, heißt es in der Studie. Es sei „jedoch nicht auszuschließen, dass die Kapitalmärkte dann auch Portugal, Spanien und Italien das Vertrauen entziehen und es dort ebenfalls zu Staatsbankrotten kommt. Die Weltwirtschaft würde dadurch in eine tiefe Rezession fallen.“

Für die Berechnung der Ausstiegskosten der vier Länder wurden im Sinne der Vergleichbarkeit einheitliche Exit-Annahmen verwendet. So wurden für alle Länder ein 60-prozentiger Schuldenschnitt bei privaten wie öffentlichen Gläubigern angenommen und eine 50-prozentige Abwertung der jeweils neu eingeführten Währungen in den Austrittsländern gegenüber dem Euro unterstellt.

Für Griechenland wäre das Szenario mit einem Staatsbankrott, einer massiven Abwertung der neuen griechischen Währung, Arbeitslosigkeit, Nachfrageverlusten u.v.a. verbunden, was sich bereits schnell auf seine direkten Handelspartner auswirkt. In dem südeuropäischen Land selbst würden sich die anschließenden Wachstumsverluste bis zum Jahre 2020 auf 164 Milliarden Euro oder 14.300 Euro je Einwohner belaufen. Die 42 wichtigsten Volkswirtschaften der Welt müssten in der Summe aber bereits einen Verlust von insgesamt 674 Milliarden Euro verkraften.

Verschiedene Szenarien

Da aber nicht auszuschließen ist, dass ein Euro-Austritt Griechenlands starke Folgen für weitere südeuropäische Krisenländer hätte, wurden die Berechnungen auch auf diese Szenarien ausgeweitet. Käme es beispielsweise in der Folge auch zu einem zusätzlichen Austritt Portugals aus dem Euro-Verbund, bedeutet dies zum Beispiel für Deutschland einen Wachstumsverlust von 225 Milliarden Euro bis 2020 und notwendigen Schuldenverzicht von 99 Milliarden Euro.

Weltweit würden sich die kumulierten Wachstumsverluste aber bereits auf 2,4 Billionen Euro summieren, wobei auch schon die Vereinigten Staaten und China mit 365 bzw. 275 Milliarden Euro betroffen wären. In Deutschland würden sich bei diesem Szenario die Einkommensverluste pro Kopf über acht Jahre auf 2.790 Euro summieren. „Wir müssen jetzt in der aktuellen Situation unbedingt den Ausbruch eines Flächenbrandes verhindern“, warnt Aart De Geus, Vorstandsvorsitzender der Bertelsmann Stiftung. Die mit einem Ausscheiden von Griechenland oder Portugal einhergehende Verunsicherung der Märkte berge die Gefahr eines derart drastischen Risikoaufschlags für die ohnehin hoch belasteten Länder Spanien und Italien, dass eine weitere Erosion der Eurozone unvermeidlich würde. Auch die Belastungen des Austritts für die Länder selbst seien für die europäische Solidargemeinschaft kaum verkraftbar, so De Geus.

Dramatisch wird es bei einem Ausstieg Spaniens

Denn noch weitaus dramatischer wäre das Szenario, wenn auch der Ausstieg Spaniens mitberechnet wird. Verlässt zusätzlich Spanien die Eurozone, erhöhen sich die Wachstumseinbußen in Deutschland bis 2020 auf 850 Milliarden Euro, bei einem Verzicht auf Forderungen in Höhe von insgesamt 266 Milliarden Euro. In den Vereinigten Staaten würde es den Wachstumsverlust von 1,2 Billionen Euro nach sich ziehen und in den 42 untersuchten Ländern von 7,9 Billionen Euro. Auch die kumulierten Wachstumsverluste pro Kopf schießen in diesem Szenario sprunghaft in die Höhe. Für Deutschland wäre die Folge ein Verlust von 10.500 Euro pro Kopf über acht Jahre bis 2020, in den Vereinigten Staaten von 3.700 Euro und in Frankreich oder Spanien sogar von 18.200 Euro beziehungsweise 16.000 Euro. Unbeherrschbar schließlich würde die Lage, wenn die Euro-Krise dazu führt, dass auch Italien die Eurozone verlassen müsste:

Deutschland müsste auf 1,7 Billionen Euro verzichten und insgesamt 455 Milliarden Euro Forderungen abschreiben. Hier wären die wirtschaftlichen Einbußen in Deutschland mit mehr als 21.000 Euro pro Kopf teilweise noch höher als in den Ausstiegsländern Griechenland mit mehr als 15.000 Euro, Portugal und Italien mit fast 17.000 Euro sowie in Spanien mit 20.500 Euro. Die Bevölkerung wäre in der Folge auch durch ansteigende Arbeitslosigkeit betroffen: So würde allein in Deutschland die Zahl der Arbeitslosen bis zum Jahre 2015 um mehr als eine Million ansteigen.

Soziale Spannungen, politische Instabilitäten

Dieses Szenario würde schließlich auch in eine dramatische internationale Rezession und Weltwirtschaftskrise münden. Bis 2020 würden sich die Wachstumsverluste in den Untersuchungsländern auf 17,2 Billionen Euro belaufen. Absolut betrachtet wären die Verluste dabei in Frankreich (2,9 Billionen Euro), in den USA (2,8 Billionen Euro), in China (1,9 Billionen Euro) und in Deutschland mit rund 1,7 Billionen Euro am höchsten.

Neben den rein ökonomischen Konsequenzen sei auch mit erheblichen sozialen Spannungen und politischen Instabilitäten zu rechnen, heißt es in der Studie weiter. Dies sei vor allem in den Ländern, die aus dem Euro ausscheiden eine Gefahr, aber auch in anderen Volkswirtschaften.

Quelle: FAZ.NET, Bertelsmann Stiftung

Debt crisis

Budget — Berlin wants more powers for Brussels

Presseurop 16 October 2012

Frankfurter Rundschau, Die Zeit

Ahead of another "crucial" Brussels summit this October 18/19 on the future of the Union and the single currency, Berlin has announced new proposals to help the EU emerge from the crisis. "German Finance Minister Wolfgang Schäuble has a plan for a significant reform of the economic and monetary union of the EU – by reforming the EU institutions," [announces the German weekly *Die Zeit* on its website](#).

Schäuble proposes to give more power to the European Commissioner for Economic and Monetary Affairs, while stripping some fiscal sovereignty away from the member states. The Commissioner would be able to veto the budget of a Member State, for example, if the deficit is too high.

Markus Sievers, [writing in the *Frankfurter Rundschau* takes a critical view](#) –

Modifications to the European Union Treaty of this magnitude take time. Largely because of the Eurosceptic climate that exists today in many countries, it would be very difficult to get them through.

According to Sievers, Schäuble is trying primarily to divert attention from the problems the German government is running into in releasing additional funds for the rescue of Greece –

... he is tossing a sweetener to critics of the coalition [the government]. Whether this will be enough to calm them might be doubted.

NYT October 16, 2012

Talks on Euro Zone Approach, This Time Under Calmer Conditions

By [STEVEN ERLANGER](#)

PARIS — The steam has gone out of the euro crisis for now, but many of the deeper structural problems of the euro zone remain, and several changes meant to address them will be the subject of the next [European Union](#) summit meeting in Brussels on Thursday and Friday.

The relaxed atmosphere is a welcome relief for Europe's leaders, who are accustomed to conducting such meetings in crisis. Markets work on expectations, and expectations now are that the European Union and the euro zone, in conjunction with the [European Central Bank](#), will muddle their way through the next few months at least with no threat to the currency.

There is always the risk that the currency will fall apart, but not soon, and even the markets appear to have recognized that the euro seems here to stay. Reassured by the European Central Bank and explicit German promises that [Greece](#) will not leave the euro, investors have brought down interest rates on loans to [Spain](#) and Italy, easing the immediate pressure on Spain to seek a politically unpopular bailout.

The [visit last week](#) to Greece by Chancellor Angela Merkel of Germany was an important moment, a conclusion to the long internal German debate about whether Greece should “Grexit,” or leave the euro. Her visit, and accompanying statements, made it clear that Germany was committed to Greek membership. Financial experts and officials say that implies that Berlin will also allow Athens more time, as it has asked (supported by the International Monetary Fund), to meet the terms of its bailout as its economy continues to shrink in a deep recession.

The issue will be how to give Greece more time without having to go back to the German Parliament to ask it to approve giving Athens more money (at least another \$26 billion, analysts say), but that is also a decision that will be left unmade until after the American presidential election. The Germans remain convinced that pressure must be kept on Greece if long-delayed economic reforms are to be finally carried out. But the so-called [troika](#) — the European Union, the International Monetary Fund and the European Central Bank — looking into Greek compliance with loan requirements, an important step toward approving the next, needed portion of loans, has gotten the message and delayed its report, too.

The mood has also been improved by the formation of the permanent bailout fund, the \$650 billion European Stability Mechanism, which passed muster with the German constitutional court.

Investors seem reassured by the vow of the president of the European Central Bank, [Mario Draghi](#), to do whatever is necessary to keep the euro stable and to drive down Spanish and Italian yields to what it considers appropriate levels. In return for the bank's intervening in bond markets, countries are supposed to agree to a program that is not quite a troika bailout but involves oversight.

While Spain is reluctant to sign up, and Germany is urging it not to ask for help unless it is really needed (stemming from the same reluctance to go back to the German Parliament), Prime Minister [Mariano Rajoy](#) is already doing most of what he knows would be required. That will make it easier for Spain when it does decide, probably before Christmas, to seek some help.

And despite complaints from the German central bank, the Bundesbank, about the European Central Bank's bond-buying program, it has the support both of Ms. Merkel and her main opposition, the Social Democrats.

Another important factor that is easing pressure is serious talk of institutional change in the European Union and the euro zone, in particular a kind of banking union, with a single supervisor for the bloc that would be

more exacting in putting banks in order than national boards. That is coupled with discussion of more cohesion, coordination and oversight by Brussels of national budgets in the euro zone.

The summit meeting is not considered any sort of make-or-break session — in a way, it is a return to the more normal meetings the bloc used to have.

At issue is a draft paper by the European Council president, Herman Van Rompuy, to pull the 17 nations of the euro zone — and future members, like Poland — closer together. Mr. Van Rompuy's agenda includes a banking union with a single supervisor, already agreed upon in principle by members in June, and a single budget for the euro zone, which could imply a euro zone treasury down the road.

The Germans talk a lot about more political and fiscal union for the euro zone. But in fact, Germany and its northern allies, like the Finns, Dutch and Austrians, do not want to rush into a broad banking union, fearing that they will be held responsible for fixing too many broken banks. And a single budget for the euro zone goes too far for many countries.

The leaders can also spend some time fighting over the existing European Union budget itself for the years 2014 to 2020, with Britain leading the charge to protest greater central spending at a time when member states are cutting their own budgets.

But most economists interviewed say that if the euro is to survive in the long run, the common currency needs common banking rules and supervision, including a collective bank-deposit insurance program, so that euro deposits in Greece are as safe as those in Germany. Combined with a more rigorous attitude toward reducing debt, economists like Daniel Gros, the director of the Center for European Policy Studies in Brussels, maintain that the real economy will continue to work to adjust imbalances in the euro zone. Already, current account balances are improving, Greek prices are dropping (encouraging tourism again), and German exports are slowing.

But there remain worries about the longer-term future. David Miliband, the former British foreign secretary, said that there was too little strategic thinking. “The tragedy of the left is that it’s against reform, and the tragedy of the right is that it sees austerity and reform as the same thing,” he said in an interview. “The proper position is to encourage structural and institutional reform but without harping on too much austerity,” which, he said, is “worsening the disease and making the tunnel longer.”

The deeper problem of the European Union, Mr. Miliband suggested, is that its institutions as currently set up are “neither legitimate nor effective,” unlike the union in the 1980s, when there was a democratic deficit but it did not matter much, because the bloc's leaders delivered. The “delivery deficit,” he said, “is more damaging than the democracy deficit.”

Confusion Reigns In Europe

ZeroHedge Submitted by [Tyler Durden](#) on 10/16/2012 09:38 -0400

Via Blain's Morning Porridge,

Great story on Bloomberg this morning arguing Rajoy is waiting for conditions to get worse so he can garner easier terms for a Spanish Bailout. I get that, but the **FT suggests a compromise whereby he can take a rescue with honor intact has been found.**

Oh so many things I simply don't understand creating confusion. Like why the European Union won the Nobel peace prize? Please! Or **how the Euro Elites are apparently going to fudge a third Greek bailout** (plus Cyprus and Spain) into a single ask when the Germans are apparently still saying no to anything (publically)? Although the EU says it's in a "final stage of negotiation" on an Greek extension, well placed sources in Greece say a haircut of all debt to 20% has already been agreed in principal – hm.. that'll impress Angela.

So, lots of stuff for the European leadership to contemplate as they head to Brussels for their latest Gabfest Thursday/Friday. What's the betting on a late night Friday? Don't worry about Europe - I'm sure they will reach a series of acceptable fudges.

I'm far more intrigued as to what markets will make of last week's IMF admission austerity doesn't work, and what scenarios may result. I suspect the world may be moving forward faster than we think – and as always, it's all about politics! Although it didn't take Sherlock Holmes to figure government spending multipliers are far larger than previously believed - will admitting it trigger a whole new wave of angst across Europe? Don't bet against it! **If austerity doesn't work, will something replace it?** If so what? And what are the likely effects on bond and stock markets?

For economies tied to government patronage in a global recession, austerity was unlikely to work. But, because of the moral hazard / electoral trade off at the core of Europe, austerity was the only politically acceptable treatment the EU could prescribe. Countries that spent themselves into crisis have to be seen to be suffering while "unspending" themselves out! As the crisis has deepened, that simple dynamic has become increasingly complex.

Even though the IMF now admits austerity may be deepening the economic woes of struggling states, it's not a given Germany et al will agree to anything else - especially as Election year looms. For the Eu/IMF/ECB troika to step back and agree alternative economic treatments is going to remain long-term and potentially troublesome in terms of Northern European approval. So - don't expect anything sudden to replace austerity – it remains the only option today, but the debate has begun.

This is where it gets interesting. **Enforced austerity is a lid on the pressure cooker, and some point it has to come off.** For instance, have you noticed how the stressed Eurozone countries in the olive oil belt have become increasingly aligned - anti-austerity could further unite them. The political trick for southern Europe is about how far they can push Germany and the North. **Under any scenario that pits France, Italy and Spain against Germany, you have to factor in the clear advantages Germany gains from within the Euro, versus the domestic strains** if it becomes increasingly sidelined and the enormous potential costs of exit on the third axis!

That German dynamic is constantly moving as it becomes increasingly entangled in Europe (just look at the rising internal bop Target 2 balances owed to Germany!). At some stage it will lead to austerity being replaced. With what? Growth policies? In a Eurozone so diverse in terms of employment, productivity, and competitiveness, growth policies have to be country specific. **If the Euro has conclusively proved one thing it's that "one size fits all" monetary policies don't work for a union as unsimilar as the Eurozone.** But entrusting Eurozone countries to repair themselves is utterly heretical to core Europe, raising the prospect of uncontrolled spending. Yet more airports in Spain anyone? Unlikely.

So what about something utterly radical - like simply cancelling government debt? See Gavyn Davies in the FT yesterday. He wrote: **“One radical option which is now being discussed is to cancel (or, in polite language, “restructure”) part of the government debt** that has been acquired by the central banks as a consequence of quantitative easing (QE).”

Recently a **very experienced leading sovereign default lawyer explained to me and some colleagues a plan for a similar “European Deleverage Programme” that would see sovereign debt/and bank assets addressed simultaneously** – radical and then it sounded very unlikely. But perhaps such a radical cancellation of European debt and monetisation is the only answer.

From a market perspective, it feels like the ground is shifting. What should investors be doing if austerity is becoming less invasive – that certainly keeps the European can kicking further down the proverbial road. That’s market positive!

And, if European governments are even thinking about thinking about something radical like cancelling debt – how will that effect current sovereign investments? Reducing supply should create scarcity, **but printing money is an inflationary anathema to the Bundesbank!** How will the central bank be recapitalised if it writes off its assets without money printing – why not when inflationary expectations are low? And what would it do to banks?

So lots to think about. Future looks very interesting.

NYT October 16, 2012

Energy Price Increases Pose Challenge for Merkel

By MELISSA EDDY

BERLIN — In the aftermath of the tsunami and nuclear meltdown in Japan last year, Chancellor [Angela Merkel](#) announced perhaps her most sweeping domestic ambition, a plan to shutter [Germany](#)'s 17 nuclear reactors and switch to 80 percent reliance on wind, solar and other renewable sources by 2050.

A year and a half later, the costs of that plan, known here as the Energiewende, or energy transformation, are becoming painfully clear, and they threaten to present one of the steepest popular challenges to Ms. Merkel as she prepares to face a general election next year.

The country's four main grid operators released estimates this week showing that households will see a nearly 50 percent increase in the tax needed to fund the transformation, meaning that an average three-person household could be expected to see an additional €60, or \$78, on their annual electricity bill.

The new estimates have added to an increasingly intense debate in Germany over how much is too much for cleaner energy and who should pay for it.

"Is it those who can really afford it, or those people for whom €60 is a lot of money?" asked Ulrike Mascher, president of the VdK welfare organization, which represents more than a million people nationwide.

Germans already pay some of the highest electricity prices in Europe, at about 25 euro cents, or 32 U.S. cents, per kilowatt hour. By comparison, consumers in neighboring France, which draws 78 percent of its energy from nuclear power plants, pay about 14 euro cents, while Poles pay 15 euro cents, according to [European Union](#) statistics.

The German price includes a surcharge that guarantees producers of energy from solar, wind, [biofuels](#) and other renewable sources a return on their investment above the market rate, which is widely credited with helping move the country to become a global leader in green technology.

Next year, that subsidy will rise to 5.3 euro cents from 3.6 euro cents per kilowatt hour, hence the higher energy bills for German consumers.

While those upper- and middle-class earners will hardly notice the increase, for a widow on a small monthly pension or a single parent struggling to raise a family on only one salary, the difference can be painful, said Ms. Mascher. She said that about 600,000 homes in Germany had their power cut off last year because people could not pay their bills.

The issue has already divided politicians, and with Ms. Merkel facing a general election scheduled for 2013, the country's energy transformation is sure to feature as a point of intense debate.

Four months ago, Ms. Merkel pledged a renewed focus on the project, which had become less of a priority in the face of Europe's pressing [sovereign debt crisis](#). She replaced her environment minister with a loyal ally. Since taking over, Peter Altmaier has increased the visibility of his office and redoubled efforts to speed up needed reforms, such as expanding and updating the country's grid.

Last week, he proposed changes to the complex law — the Renewable Sources Energy Act, known by its German initials E.E.G. — that governs the surcharge funding with goals of increasing market competitiveness and keeping costs in check.

Under the current law, the more energy produced by renewable sources, the higher the subsidy consumers must fund. This means that the law's success has caused the green energy sector to grow explosively; the amount of the surcharge has more than quadrupled since 2009. Last year it generated €17 billion, about \$22 billion, and analysts expect that it will bring in about €25 billion in 2013.

In addition, the current law allows exemptions for leading power-hungry industries in an effort to maintain Germany's international competitiveness. More than 730 companies took advantage of the exemption in 2012, according to the Federal Office of Economics and Export Control.

"We need to look at this again and consider whether it was right to have granted exemptions to so many companies," Ms. Merkel said in Berlin on Tuesday in calling for reforms to the law.

So far Mr. Altmaier's response has been to encourage Germans to reduce the amount of power they consume, by expanding a program that offers energy-saving tips for lower-income households.

Dubbed simply Energy-Saving Check, the program is run by the Caritas social services organization and has reached about 80,000 households since its inception, said Nicola Buskotte by telephone from Caritas's headquarters in Cologne.

Organizers recruit from a pool of the long-term unemployed, training them in simple ways to help reduce energy consumption, like turning down the temperature on a refrigerator or replacing an old showerhead with a more economical version, before sending them into mostly low-income households to teach people the techniques.

"That these people are turning every cent over twice is clear," Ms. Buskotte said in response to criticism that asking welfare recipients to save more is unfair. "But to teach people how they can save €100 a year is useful, not only for them personally, but for the climate."

10/16/2012 05:21 PM

'We Are Greedy and Asocial'

Corruption Continues Virtually Unchecked in Greece

By Julia Amalia Heyer

While Athens waits for more aid from the European Union, the country continues to be administered in the same old careless manner. Corrupt politicians and the rich continue to help themselves to Greece's funds, and little is being done about it.

How can someone who has declared an annual income of €25,000 (\$32,400) transfer €52 million abroad? What kind of supplementary income must an individual have who, according to his tax returns, earned €5,588 in 2010, yet still managed to move €19.8 million abroad? And how can it be that a Greek citizen sequesters €9.7 million abroad although he supposedly earned exactly zero euros?

These are the questions that tax fraud investigators will have to ask of a number of individuals whose identity has so far only been made public in the form of initials. For instance, a "G. D." stands at the top of a list with the names of 54,000 Greek citizens who relocated major assets abroad between 2009 and 2011. The list stems from the Greek central bank and is now in the hands of the Finance Ministry.

It is the longest of four lists that are currently circulating in Athens. Each contains the names of people whose financial circumstances -- bank balances and real estate holdings -- do not correspond at all with what they claimed on their tax returns. But hardly anything is being done about it. **The Greek reality is sometimes paradoxical: While the governing coalition was busy squabbling with international creditors over how many hundreds of euros can still be trimmed from teachers' and nurses' paychecks, and Athens continued slashing employee pensions, wealthy Greeks moved billions abroad with relative impunity.**

The odyssey of the "**Lagarde** list," as it's known, exemplifies the typically lax attitude toward tax criminals. For many months, it was thought to be lost, but then it resurfaced in early October. **Now, the public prosecutor for financial crimes has a copy. It lists 1,991 Greek owners of Swiss bank accounts, and reportedly includes many prominent individuals from the realms of politics, business and culture.**

List Goes Missing

The story of this list primarily illustrates **the unwillingness of politicians to do anything to improve the situation.** In the autumn of 2010, Christine Lagarde, who was still the French finance minister at the time, gave her Greek counterpart Giorgos Papakonstantinou a digitalized list of bank accounts with information on Greek customers at the HSBC Bank in Switzerland. **The accounts contained a total of some €1.5 billion.** While the French state was using this list to help collect half a billion euros from its own tax offenders, **the Greeks showed little interest in attempting a similar initiative.**

It wasn't until many months later, in June 2011, that Papakonstantinou finally relinquished only 10 names from the list to the head of Greece's Financial and Economic Crime Unit (SDOE). The former minister said a few days ago that he didn't pass on all of the information because he had "no confidence in the agency."

He was succeeded by Evangelos Venizelos, who is the leader of the Panhellenic Socialist Movement, better known as PASOK, and thus part of the governing coalition. Venizelos served as finance minister for nine months. He negotiated the debt haircut and the second bailout package -- and vowed time and again to tackle the big problem of tax evasion.

Meanwhile, tucked away in a drawer of his secretary's desk, there was a USB stick with information that had already been gathered on Greek tax offenders -- the Lagarde list. The authorities merely needed to launch investigations. But Venizelos didn't instruct the SDOE to conduct inquiries, nor did he inform anyone of the existence of this information. Everyone else in the government thought that the list had disappeared. It was only when the current Finance Minister Yannis Stournaras heard about the lost information, and wanted to ask Paris for a copy, that Venizelos supposedly remembered the USB stick in the drawer. He sent it by express courier to Greek Prime Minister Antonis Samaras. Venizelos maintains that he didn't know "that no one aside from me had a copy."

Both Venizelos and Papakonstantinou have had to justify their actions before an investigative parliamentary committee -- and both men have attempted to shift the blame on each other.

Allegations Ignored

There is yet another, shorter list, which despite its diminutive size is even more politically charged. Greek tax authorities are currently investigating the assets of some 60 politicians, and the probe apparently extends beyond suspicions of tax evasion alone. The speaker of the Greek Parliament, Evangelos Meimarakis -- a member of the governing conservative Nea Dimokratia, or New Democracy party -- recently stepped down due to corruption allegations, and he is not the only one implicated. A number of high-ranking former ministers are also suspected of involvement in sham transactions and money-laundering schemes.

Corruption allegations still don't necessarily interfere with a political career in Greece, as exemplified by the case of the former prefect of Thessaloniki, Panagiotis Psomiadis. He allegedly personally received nearly €1 million for public works projects that were never built. Psomiadis is also suspected of being connected with a mafia ring of loan sharks. None of this has apparently damaged him. In May, Prime Minister Samaras made him his election campaign organizer for northern Greece.

"We are very bad now as a society. We have become bad. We are greedy and asocial," says Costas Bakouris, 75, chairman of Transparency International Greece. Bakouris sounds very different than many European politicians who suddenly find that things are taking a turn for the better in Greece. Now that it's clear that the creditors will continue to pay, he says people are turning a blind eye to the inevitable.

In reality, says Bakouris, an incompetent political class continues to govern the country -- the same people, the same story. For decades, they have created a sick system that permeates all segments of society.

Indeed, it's not just former ministers and parliamentarians who have squirreled away millions of euros of dubious origin in their bank accounts. Investigators even discovered €2.8 million -- none of which had been declared -- in an account belonging to the deputy mayor of a town of only 14,000 inhabitants in the Thessaly region. The man receives a monthly salary of approximately €1,500.

Conditions Ripe for Corruption

Greece's largest social security organization, IKA, has been used by many in the country as their personal piggy bank. The fact that IKA coffers are actually empty hasn't stopped department heads or low-level employees from continuing to transfer money to friends and relatives who are not entitled to receive any payments whatsoever. But even everyday citizens take advantage of the system: **Of the supposedly 700 blind people on the island of Zakynthos, for instance, in reality there are only 60 who truly cannot see.**

Thanks to such commonplace tricks, an estimated 40 percent of Greece's annual gross domestic product (GDP) still generates no revenues for state coffers, says Athens-based corruption investigator Leandros Rakintzis.

According to Transparency International's Costa Bakouris, **Greece has all the right conditions for corruption: plenty of bureaucracy, no functioning justice system, laws with numerous loopholes -- and economic pressure.** Bakouris was himself an entrepreneur and lived for 20 years in Switzerland. He says Greeks like him, who have lived abroad for many years, have the clearest perception of the problems in their homeland. Bakouris also briefly worked for the state as the managing director of preparations for the 2004

Olympic Games in Athens. After two years, he "more or less fired" himself. He says that he refused to accept that all bids -- whether they were for major infrastructure projects or for the carpeting in the Olympic village -- should be roughly three times as high as they were in Sydney, which hosted the games in 2000.

Bakouris doesn't believe that all the information on the lists will actually be investigated. Only one top politician has been sitting in jail awaiting trial for the past six months: former Defense Minister Akis Tsochatzopoulos. He allegedly accepted many millions of euros in kickbacks for defense projects. Tsochatzopoulos, who denies all of the allegations, was a political protégé of socialist Andreas Papandreou, the founder of PASOK and the father of former Prime Minister Georgios Papandreou.

The legacy of corruption goes back generations. In the days when Papandreou the elder governed the country, after the story broke that the head of the state electricity provider had lined his own pockets with some 1.5 million drachmas, the prime minister reacted with the following quip: "We all agree, of course, that we are allowed to give ourselves a little present from time to time. But please don't make it too large."

Translated from the German by Paul Cohen

WSJ Updated October 16, 2012, 9:53 a.m. ET

Spanish Hopes Lift European Markets

By [EVA SZALAY](#) and [ANDREA TRYPHONIDES](#)

News that Spain is edging closer to requesting financial aid from the European Union helped to boost the euro and provide new support for the region's government debt markets on Tuesday.

A well-received Spanish Treasury bill auction and data showing a rise in German economic sentiment also contributed to the upbeat tone.

News overnight that Spain is considering a request for a line of credit from the EU's new bailout mechanism helped to allay investors' uncertainty over whether Spain would seek help before its heavy debt load excluded it from capital markets.

KBC Bank economists said in a note that the news from Spain was "positive and show that Spain effectively is moving in the direction of a bailout.

On the back of that news, Spain sold €4.863 billion (\$6.29 billion) in 12- and 18-month Treasury bills, above the upper end of the €3.5 billion to €4.5 billion target range. The average yield on the 12-month bills was 2.823%, a touch below the previous comparable auction. Spain's 10-year government bond yield was at 5.81%, up just 0.02 percentage point.

Early in the afternoon, the benchmark Stoxx 600 index rose 0.9%. The U.K.'s FTSE 100 index added 1%, Germany's DAX advanced 1.3% and France's CAC-40 was 1.4% higher. Greece's ASE Composite index gained 1.6%, Italy's FTSE Mib added 1.6%, while Spain's IBEX-35 index soared 2.8% .

The euro rose above \$1.30 against the greenback. Toward the middle of the European session, the euro was at \$1.3049 from \$1.2949 late Monday in New York, having pushed as high as \$1.3060 during the session.

Financial markets had posted small gains earlier in the session, boosted by stronger-than-expected economic data. The German ZEW sentiment indicator showed a rise in economic expectations. The closely watched economic index rose to minus-11.5 in October from September's minus-18.2.

Some market watchers continued to urge caution with Spain's debt crisis still unresolved and Greece facing new deadlines for fulfilling conditions set by international creditors for the award of further financial support under its bailout deal. It remains open how other European governments will receive Madrid's proposal for a credit line as a backstop for its financial problems.

Markets also are braced for the chance that Moody's Investors Service could downgrade Spain's government debt to junk status by the end of October. Last week Standard & Poor's cut the country's debt rating one level above junk and this was followed Tuesday by credit rating downgrades for 11 banks including [Banco Santander MC.FR +0.32%](#) and [Banco Bilbao Vizcaya Argentaria BBVA.MC +5.04%](#) .

"I think this new found optimism is misguided," said Chris Walker, a currency strategist at UBS in London. "Nothing has changed and the report that people have taken as good news presents an unworkable solution anyway," citing indications Spain wasn't going to require aid from the European Stability Mechanism but instead it would request a credit line only to allow the European Central Bank to buy Spanish debt.

WSJ October 13, 2012, 5:35 a.m. ET

Greek Euro Exit Unavoidable if IMF, Euro Zone Can't Agree

By [COSTAS PARIS](#)

The International Monetary Fund and Europe are still far from finding a common formula to tackle Greece's explosive debt crisis, with the IMF insisting on a "haircut" on the principle that Athens owes its creditors, while euro-zone governments dismissed the proposal because of political repercussions.

The row could lead to an IMF withdrawal from the Greek program and an end to the Fund's financing of Athens. And while Europe can take on the IMF part of the lending in the short term, a refusal to restructure the debt will result in a giant gap that will be impossible to fill. European tax payers will push their governments to stop financing Greece and the country will default and be forced to print its own currency.

So the question is whether Germany and its Chancellor [Angela Merkel](#), who has the biggest say on the fate of the euro zone, genuinely believes that Greece must remain in the euro as she repeatedly proclaims. If she does, she will have to go to the German parliament and ask approval for a Greek write-down, which could wreck her chances of re-election next year.

But the alternative could be equally explosive. A Greek exit could well come before the German elections and the contagion effects on other bailed out countries such as Portugal and soon to be Spain may be disastrous. Many economists have described such a scenario as the "end of the euro zone" and judging from the slow pace and indecisiveness that the Eurogroup has shown so far on tackling the continent's debt crisis this may well be the case.

So the need for an agreement between the euro zone and the IMF is paramount. The IMF as a senior creditor can't accept losses of its own in the Greek program and it has to convince unhappy members from the emerging world that lent it money to continue financing Greece that the country's debt is sustainable. For this to happen, about 50 billion euros (\$65 billion) must be forgiven from Greece's giant debt and the decision for such action including the political backlash is squarely in Europe's court.

There are ways that the Europeans can make it happen. One would involve the European Stability Mechanism, a newly activated bailout mechanism that would take over the recapitalization of Greek banks, which is set to cost €50 billion, instead of the amount being added to the country's debt. Another way would be the European Central Bank accepting losses to the Greek bonds it holds. But both options go against existing charters and the political will to change the rules isn't there.

Meanwhile Greece will run out of money sometime next month. Athens is anxiously awaiting a decision by its troika of creditors—the euro-zone, the IMF and the ECB—to approve the release of a €31 billion loan payment so to stay above water. In typical fashion the creditors are demanding from Athens another set of painful austerity cuts which the country can't afford and the IMF is openly saying that it won't sign off on the loan payment before a haircut takes place.

Europe's efforts to save Greece and keep the euro zone intact is now facing its biggest challenge. After two years of kicking the can down the road hoping that things will somehow get better, the time of reckoning is here.

Schäuble in Asien

Griechisch für Fortgeschrittene

FAZ 16.10.2012 · Wolfgang Schäuble reist als heimlicher Minister Euro durch Asien und sorgt für Verwirrung. Seine jüngste Aussage lässt nur einen Schluss zu: Das Ergebnis der Troika-Mission in Griechenland steht offenbar schon fest.

Von [Manfred Schäfers](#), Bangkok



© dpa Griechenlands Zahlungsunfähigkeit? „Ich denke, das wird nicht passieren. Es wird keinen Staatsbankrott von Griechenland geben“, sagt Wolfgang Schäuble

Wolfgang Schäuble ist nach Asien gereist, um für den Euro zu werben. Der deutsche Finanzminister wollte in Tokio, Singapur und Bangkok die Fortschritte in der Staatsschuldenkrise herausstellen, Vertrauen zurückgewinnen, Widersprüchlichkeiten vergessen machen. Angesichts der komplizierten Entscheidungsprozesse im Dickicht aus Nationalstaaten, Europäischer Union und Euro-Mitgliedern ist das auch für Deutschlands erfahrensten Politiker im Kabinett keine einfache Aufgabe - insbesondere wenn das ganz spezielle Problem Griechenland hinzu kommt.

Auf der Jahrestagung von Internationalem Währungsfonds (IWF) und Weltbank in Tokio kursierten unterschiedliche Vorschläge, wie man mit der akuten Finanzkrise Griechenlands umgehen sollte. Wenig später in Singapur äußerte sich Schäuble ausgesprochen kritisch über andere Regierungsvertreter aus Europa. Die Kommunikation nannte er ein „Desaster“. Viele europäische Entscheidungsträger verstünden nicht, was in Europa geschehe.

Doch der Deutsche, der mit seinem ganzen Auftreten als heimlicher Minister Euro durch Asien reist, um die Fehler der Kollegen auszubügeln, trägt nun selbst zur allgemeinen Verwirrung bei. Während er in Tokio wie früher gebetsmühlenartig auf alle Fragen nach der Zukunft Griechenlands auf den ausstehenden Bericht der Troika aus Europäischer Zentralbank, IWF und EU-Kommission verwiesen hatte, korrigierte er einen Tag nach seiner Abreise aus Tokio diese Linie.

Nach seinem Vortrag vor der deutsch-singapurischen Handelskammer sagte er auf einmal zur Überraschung der ihn begleitenden Medienvertreter etwas anderes. Als der Minister auf die Möglichkeit einer Zahlungsunfähigkeit Griechenlands angesprochen wurde, sagte er: „Ich denke, das wird nicht passieren. Es wird keinen Staatsbankrott von Griechenland geben.“

Steht das Troika-Ergebnis schon fest?

Er sagt das auf Englisch - mit Ausnahme des Wortes „Staatsbankrott“, das im Zusammenhang mit Griechenland die Eurozone und internationale Anleger seit eineinhalb Jahren umtreibt. Auch wenn man seine Aussage marginal anders übersetzen kann, lässt sie nur einen Schluss zu: Das Ergebnis der Troika-Mission steht offenbar schon fest. Schäuble nahm es vorweg, nachdem er wieder und wieder bekundet hatte, erst mit

dem Bericht der Troika habe man eine Grundlage, um über die Freigabe der nächsten Hilfstranche entscheiden zu können. Ohne diese Tranche wird der Regierung in Athen in wenigen Wochen das Geld ausgehen.

Nachdem sich in Tokio die Hinweise gemehrt hatten, dass die Euroländer Griechenland nicht fallenlassen wollen, musste Schäubles Aussage wie ein freimütiges Aussprechen von etwas klingen, was längst klar war, aber noch keiner zu sagen gewagt hatte.

„Wir können es nicht ausschließen“

Um nicht den Eindruck zu zerstören, dass man auf das Ergebnis der Troika-Mission warten will. Und um nicht den Druck auf die Regierung in Athen zu mindern, weitere Auflagen zu erfüllen. Oder es musste wie eine trotzig Antwort auf Schwedens Finanzminister Anders Borg wirken. Dieser hatte in Tokio davon gesprochen, dass es „hoch wahrscheinlich“ sei, dass Griechenland aus dem Euroraum ausscheiden werde: „Wir können nicht ausschließen, dass das in den kommenden sechs Monaten passiert.“

Nachdem Schäubles Worte für Schlagzeilen in seinem Heimatland gesorgt hatten, versuchten der Minister und seine Entourage den Eindruck zu zerstreuen, dass dahinter ein Positionswechsel steht. Nach dem Motto: Wer vor Anlegern, Asiaten und anderen Euroaußenseitern erklären will, was in Europa passiert, darf nicht so auftreten wie vor heimischem Publikum. Doch wenn der Kabinetts senior die Frage, ob Griechenland noch einmal Geld erhält, wirklich weiterhin als offen ansieht, war sein Auftritt in Asien, was er seinen europäischen Kollegen vorwirft: ein kommunikatives Desaster.

Quelle: F.A.Z.

A Petroplus, cette « révolte qui bouillonne dans le ventre des salariés »



Le souvenir des émotions les plus vives se fige souvent dans des images ordinaires. Thierry, 49 ans, se rappellera ainsi longtemps d'un banal tas de pommes de terre. Celui qu'il épluchait dans sa cuisine ce soir de décembre 2011, lorsqu'à 19 heures, il a appris par son petit poste radio que le groupe Petroplus, en proie à de graves difficultés financières, allait mettre à l'arrêt la raffinerie de Petit-Couronne (Seine-Maritime) où il travaille depuis 30 ans. *"Entre Noël et le nouvel an, on nous disait que nos salaires ne seraient peut-être même pas payés. Ce fut un tel choc, j'ai dû m'asseoir"*, raconte-il encore bouleversé. Près de dix mois plus tard, il attend fébrilement la décision définitive du tribunal de commerce de Rouen, qui décidera de son avenir et de celui des 550 autres salariés ce mardi 16 octobre.



Devant la raffinerie Petroplus lors d'une A.G des salariés mi-septembre © A.Leclerc

"La Shell" comme on l'appelle encore ici par habitude, l'entreprise ayant exploité le site de 1929 à 2008, il y est entré à 20 ans au plus bas échelon : aide-opérateur, avec un simple BEP. A l'époque, la raffinerie était l'une des plus grosses d'Europe. Y être embauché était synonyme d'un emploi à vie et de bonnes perspectives d'évolution. Il a ainsi régulièrement gravi les échelons jusqu'à celui de chef de quart. Trente ans qu'il vit aux 3×8, 5h-13h, 13h-21h ou 21h-5h, passant d'un horaire à l'autre toutes les six semaines. *"Vous voyez parfois plus vos collègues que votre femme et vos enfants. C'est pour ça qu'on dit qu'ici c'est un peu la famille"*, confie-t-il pour expliquer son attachement à l'entreprise. Et sa réaction en apprenant cet hiver que tout pourrait s'arrêter. En quelques minutes, tous ses choix de vie se trouvaient menacés. *"Ma femme est fonctionnaire, nous avons deux bons salaires. On avait une vie confortable, avec une maison finie de payée et le luxe de penser aux prochaines vacances sans souci"*, dit-il en parlant déjà au passé, comme s'il anticipait la fermeture. *"Ma fille vit à Paris, mon fils à Rouen. Nous les aidons à financer leurs études et leurs petits appartements. Si je perds mon travail, cela ne chamboulera pas seulement ma vie, mais la leur aussi..."*

"On ne va pas effacer l'usure des 3×8 d'un goût de gomme !"

L'inquiétude de Thierry est d'autant plus forte que cet hiver, il a envoyé quelques CV dans cette région, la Haute-Normandie, qui a connu de nombreux plans sociaux, ces dernières années, en particulier dans l'industrie. *"Je n'ai eu aucune réponse, ou seulement pour des postes en bas de l'échelle, beaucoup moins payés. Et pour faire ça, je vais peut-être devoir aller travailler au Havre. Cela voudrait dire déménager seul là-bas. A 50 ans, je n'avais pas imaginé ça"*, explique-t-il dépité. Un accord d'entreprise permettait par ailleurs aux salariés de partir en retraite anticipée pour compenser un rythme de travail difficile : *"On avait cinq ans de remise de peine !"*, aiment-ils tous à dire. *"La fermeture de la raffinerie serait synonyme de devoir travailler cinq ans de plus, c'est dur. Parce qu'on les a fait les 3×8 pendant 30 ans ! L'usure elle est belle et bien là, on ne va pas l'effacer d'un goût de gomme !"*



Sur la mairie de Petit-Couronne, une banderole "Soutenons les salariés de la raffinerie, défendons notre industrie et notre territoire" © A. Leclerc

Pendant ces trente années, Thierry a vu la raffinerie décliner doucement : l'absence de nouveaux investissements dès le milieu des années 90 n'a échappé à aucun ouvrier, ni le fait que parallèlement au ralentissement de leurs fabrications de carburant, d'huiles ou de bitume, les importations de produits similaires étaient en forte augmentation au port du Havre. Une évolution qui annonçait, en creux, la décision de la "major" Shell de vendre à un groupe de moindre envergure, le suisse Petroplus, en 2008. *"On nous a dit, c'est ça ou rien. Et on y a cru, parce qu'on a vu enfin arriver de nouveaux investissements"*, explique Thierry. Mais la flambée du prix du baril a eu raison de la société qui appuyait [sa stratégie](#) sur d'importantes lignes de crédit dont les taux ont explosé, aboutissant à la mise en redressement judiciaire annoncée en janvier.

"J'ai l'impression que les politiques nous ont trahi"

Conscients des difficultés économiques, les salariés de Petroplus croient cependant toujours en la valeur de leur raffinerie. Ils se battent depuis janvier contre sa fermeture et ont connu une première victoire lorsqu'en pleine campagne électorale, Nicolas Sarkozy est venu annoncer un accord avec Shell permettant le redémarrage du site, mi-juin, jusqu'à la décision du tribunal de commerce.

Comme dans d'autres usines en difficultés un peu partout en France, résonne ici dans le témoignage de chacun une profonde fierté pour l'outil de travail et la qualité des produits fabriqués. *"Dans le temps, il y avait ici des brouillards à couper au couteau, se souvient Thierry qui a grandi à Petit-Couronne. La grand-mère de ma femme vivait au pied de la torche qui brûle au-dessus du site : tous ses cuivres étaient verts ! Mais ça c'était avant. Aujourd'hui on s'auto-surveille en permanence pour produire le plus propre possible"*. Il évoque notamment l'analyseur d'atmosphère pour contrôler les rejets de CO2 dans les environs. *"Nous on essaye de faire notre boulot proprement, on respecte des normes environnementales très contraignantes, et c'est très bien comme ça. Mais pas si ensuite on nous met en concurrence avec des raffineries en Inde : la compétition n'est plus égale !"*



Des salariés devant la raffinerie lors d'une assemblée générale mi-septembre © A. Leclerc

Thierry parle d'une *"révolte qui bouillonne dans le ventre de tous les salariés"* contre cette situation dont ils ne comprennent pas la logique : *"Moins on fabrique ici aux normes sociales et environnementales européennes, plus on importe du carburant et des huiles fabriquées à l'autre bout du monde et au mépris de toutes ces règles !, déplore-t-il. Pendant qu'ici on ferme des raffineries en mettant des hommes au chômage, on construit des entrepôts de stockage au Havre, mais ça n'emploiera jamais le même nombre de salariés !"*

"On a voulu l'Europe sociale, on a eu celle des financiers !"

Ce n'est pas un homme hargneux. Assis à la table du café de la mairie, il s'exprime doucement, déroule sa pensée sans hausser le ton mais on sent là, rentrée, une profonde amertume qui régulièrement lui voile un peu la voix et le regard. Et en particulier quand il dit : *"J'ai l'impression que les politiques nous ont trahi". "On a voté pour élargir l'Europe, parce qu'on était prêt à perdre un peu pour construire une Europe forte, où l'on exporte notre droit social. Mais ce n'est pas ça qui s'est passé, c'est l'inverse. On a voulu l'Europe sociale, on a eu celle des financiers !"*

Il lit le journal, suit les nouvelles à la télé, mais rechigne de plus en plus à écouter ces débats d'expert qui discutent de l'avenir des raffineries en Europe sans avoir l'air de se soucier de la vie des salariés. *"J'entends qu'on dit que le coût du travail est trop cher en France... Et que la France devrait s'aligner à la baisse sur les autres. Mais à ce rythme-là on va perdre toujours un peu plus, et pour quoi en échange ?, s'interroge-t-il. Un travailleur espagnol coûte encore moins cher et ils sont tous au chômage... Je ne sais pas... On doit être trop petits pour comprendre... Alors on subit..."*

La décision du tribunal de commerce [a déjà été reportée plusieurs fois](#) pour permettre aux deux candidats à la reprise, dont la crédibilité est sujette à caution, [d'étayer leurs dossiers](#). L'un d'eux, NetOil, a le soutien de l'intersyndicale. D'abord mal engagée, la possibilité d'une reprise est apparue plus crédible ces dernières semaines, après que [le ministre Arnaud Montebourg a annoncé vouloir appuyer "de tout son poids"](#) en ce sens. *"Je ne suis pas d'un optimisme exacerbé, confie Thierry. Mais il faudrait vraiment que ça reparte. Ensuite, ça durera le temps que ça durera, mais à notre âge, ce sera déjà ça de pris."*



Une partie de la raffinerie Petroplus à la sortie de Petit-Couronne © A. Leclerc

Islam : une vidéo suscite la polémique au Vatican

Le Figaro Par [Jean-Marie Guénois](#) Mis à jour le 15/10/2012 à 22:35 | publié le 15/10/2012 à 22:16 [Réactions](#) (35)

Le document met en évidence, chiffres à l'appui, «l'islamisation» du continent européen. Choqués par le simplisme du film, plusieurs prélats ont pris leurs distances.

[Une vidéo](#) de sept minutes a semé, lundi, le trouble au Vatican. Diffusée à plus de trois cents évêques et experts venus du monde entier pour relancer la «nouvelle évangélisation» de la planète - thème d'un «synode» spécial convoqué par Benoît XVI jusqu'à fin octobre - elle met en évidence, chiffres à l'appui, «l'islamisation» du continent européen et l'effondrement à prévoir de la culture chrétienne dans «quatre décennies». Le document, de facture américaine et probablement d'inspiration évangélique, tend à faire peur. Il se termine par ces mots que peu osent effectivement prononcer dans le monde catholique: **«Comme croyants, nous vous invitons à joindre l'effort pour partager le message de l'Évangile pour le monde qui vient. Ceci est un appel à l'action».**

C'est le cardinal Peter Turkson, un Africain qui occupe l'un des ministères les plus prestigieux du Saint-Siège, le conseil pontifical Justice et Paix - dirigé jusqu'en 1998 par le célèbre cardinal français Roger Etchegaray - qui a eu l'idée de faire projeter ce montage anonyme en guise d'intervention au Synode. Depuis une semaine en effet chaque participant dispose de cinq minutes pour s'exprimer devant tous, et devant le Pape qui suit les travaux, afin de susciter la réflexion et le débat. Benoît XVI n'était toutefois pas présent lors de cette projection. Mais le débat, lui, a été immédiat.

«République islamique»

Plusieurs prélats, choqués par le simplisme de ce film ont aussitôt pris leur distance. Le commentaire le plus cinglant est venu d'un haut responsable chargé précisément du dialogue avec l'islam. Il n'a pas caché sa «perplexité» sur le fond de la vidéo. Quant à l'idée de présenter ce document dans une instance officielle et publique de l'Église catholique, ce même prélat l'a qualifiée de «maladresse» estimant que son confrère cardinal «n'a probablement pas mesuré la portée» de son initiative. Beaucoup d'évêques présents ont d'ailleurs pointé «le piège» de ce genre de méthodes, proches de celles de «l'islam fondamentaliste» assurant qu'il n'était pas dans l'intention du synode, visant pourtant à lutter contre la régression du catholicisme, à entrer dans une «guerre de religion».

D'autres évêques ont surtout promis de produire d'autres chiffres sur l'expansion de l'islam en Europe et dans le monde. En attendant, ceux qui ont été présentés lundi au [Vatican](#), dont certains sont tirés de statistiques officielles allemandes et hollandaises, sont éloquents. Cette vidéo qui n'offense en rien la foi musulmane, a pour objectif de susciter la peur chez ceux qui ne la partagent pas, en insistant sur l'expansion spectaculaire de l'islam.

Ce montage publié en mars 2009 par un mystérieux «friendofmuslim» (ami des musulmans), déjà vu par plus de 13 millions de personnes sur YouTube, commence par démontrer qu'en dessous d'un taux de fécondité de 1,3 enfant par femme une «culture» ne peut se pérenniser. Or, argumente-t-il, le taux moyen de 31 pays européens est de 1,38 enfant par femme. L'Europe va donc «cesser d'exister». Ou elle va plutôt exister «autrement» avec «l'immigration».

Le document compare alors le taux français de fécondité, «1,8 enfant par femme» à celui «musulman» qui serait de «8,1 enfant par femme.» Pour la France, la vidéo affirme que «30% des enfants de moins de 20 ans sont musulmans» - «45%» dans les grandes villes - et qu'en 2027 «un français sur cinq sera musulman». Il pronostique même que la fille aînée de l'Église sera «une République islamique» dans quatre décennies. Même constat pour les Pays-Bas et la Belgique, où selon ce document, «50% des nouveaux nés sont musulmans» et pour l'Allemagne qui sera «un État musulman en 2050».

La tendance globale des affirmations dénoncées par cette vidéo, à l'évidence caricaturales, et l'inquiétude qu'elles génèrent, sont toutefois partagées par une bonne partie de l'assemblée synodale. En début de synode, plusieurs évêques, Africains et du Moyen-Orient se sont publiquement plaints de la difficulté croissante de pouvoir seulement se dire «chrétien» face à l'intolérance de l'islamisme politique. Beaucoup d'évêques, en Europe, en Afrique, au Moyen-Orient, en Asie, expérimentent que la «nouvelle évangélisation» appuyée par Benoît XVI affronte chaque jour un islam conquérant. Cette vidéo simpliste n'apparaît donc pas pour eux complètement hors sujet.

Quant au jeune cardinal Turkson, 64 ans, originaire du Ghana, il n'a pu agir par hasard. Cet homme de confiance de Benoît XVI, nommé par lui à Rome, qui lui avait confié en 2009, la responsabilité central d'être le rapporteur général du Synode sur l'Afrique, connaît par coeur les arcanes des synodes romains. Il n'a pas pu présenter ce document sans un feu vert. Cette vidéo brutale suscite donc de l'émoi mais elle pourrait aussi exprimer ce que beaucoup pensent tout bas dans certaines instances de l'Église catholique.

Unternehmerische Erfolgsgeheimnisse

Deutschlands Stärke hat 13 Gründe

FAZ 14.10.2012 · In keinem Land der Erde sind mehr Weltmarktführer beheimatet als in Deutschland. Berater und Wissenschaftler sind auf der Suche nach dem deutschen Erfolgsgeheimnis. Wer genau hinschaut, findet deren mehrere.

Von Hermann Simon



© Illustration F.A.Z. Weltmarktführer Deutschland - jedenfalls in vielen Bereichen

Es war im Jahr 1986, als mich Harvard-Professor Ted Levitt, der den Ausdruck Globalisierung populär machte, fragte, warum die deutsche Wirtschaft im Export immer vorn mitspielt. In den 25 Jahren seither hat sich wenig geändert. **Zehnmals waren wir in diesem Zeitraum Exportweltmeister.** Auch 2011 brachte wieder einen neuen Rekord. **Der Export, nicht die Binnennachfrage, ist für unseren Wohlstand und die niedrige Arbeitslosigkeit verantwortlich.** Noch nie war das Interesse am „deutschen Modell“ so groß wie heute. **Was sind also die Wurzeln unserer Wettbewerbsstärke?**

Zwei Antworten seien vorangestellt. Erstens gibt es nicht die eine, alles erklärende Ursache. Und zweitens, es liegt nicht an den Großunternehmen. Die Vereinigten Staaten haben viermal und Japan hat doppelt so viele Fortune Global 500-Unternehmen wie Deutschland, sogar Frankreich hat mehr als wir. **Die Hauptursache für den anhaltenden deutschen Exporterfolg liegt in der Stärke unseres Mittelstandes oder, präziser gesagt, der Elite des Mittelstandes, den sogenannten „Hidden Champions“.** Seit 25 Jahren sammle ich die Namen dieser wenig bekannten mittelständischen Weltmarktführer. Meine globale Liste umfasst **2734 Unternehmen**, von denen sage und schreibe **1307 aus Deutschland** stammen. **Die Hidden Champions stehen für gut ein Viertel der deutschen Exporte. Sie sind ein in der Welt einzigartiges Phänomen. Deutschland hat 16 Hidden Champions je eine Million Einwohner, in Frankreich sind es 1,1, in den Vereinigten Staaten 1,2, in Japan 1,7.** Lediglich Österreich und die Schweiz weisen mit knapp 14 ähnliche Werte wie Deutschland auf. Warum gibt es bei uns so viele Hidden Champions? Bei dem Versuch, diese Frage zu beantworten, stoßen wir auf ein Bündel von Einflussfaktoren, die teilweise weit in die Geschichte zurückreichen und letztlich die deutsche Exportstärke erklären.

1. Historische Kleinstaaterei

Anders als beispielsweise Frankreich war Deutschland bis Ende des 19. Jahrhunderts kein Nationalstaat, sondern eine Ansammlung von Kleinstaaten. Jeder Unternehmer, der wachsen wollte, musste internationalisieren. **Der Drang zur Internationalisierung steckt den deutschen Unternehmern im Blut** und setzt

sich bis heute fort. Sie beginnen viel früher und bei kleinerer Unternehmensgröße als ihre ausländischen Kollegen mit dem Export. Das ist der Nährboden, auf dem Hidden Champions und Exporterfolge gedeihen.

2. Traditionelle Kompetenzen

In vielen deutschen Regionen gibt es jahrhundertealte Kompetenzen, die ihr Licht bis in die Gegenwart werfen. So wurden im Schwarzwald seit je Uhren gefertigt, das erforderte hohe feinmechanische Kompetenzen. Schließlich gilt die Uhrmacherei als „the key machine of the modern industrial age“ (Lewis Mumford). Heute gibt es im Raum Tuttlingen am Schwarzwaldrand mehr als 400 medizintechnische Unternehmen, die aus dieser feinmechanischen Tradition entstanden sind, einige sogar direkt aus Uhrmachereien. Oder nehmen wir Göttingen. Wieso finden wir dort 39 Hersteller von Messtechnik, viele von ihnen Weltmarktführer? Die Erklärung liegt darin, dass die mathematische Fakultät der Universität Göttingen über Jahrhunderte führend war. Einige dieser Firmen gehen auf Prinzipien zurück, die Carl Friedrich Gauss entdeckte. Der frühere Siemens-Vorstand Edward Krubasik sagt dazu: „Deutschland nutzt die Technologiebasis, die bis ins Mittelalter zurückgeht, um im 21. Jahrhundert erfolgreich zu sein.“



© dpa

Auch Mathematiker Carl Friedrich Gauß hat seinen Anteil am deutschen Welterfolg

3. Herausragende Innovationskraft

Nehmen wir als Indikator der Einfachheit halber die vom Europäischen Patentamt gewährten **Patente**. Dann hat Deutschland je Kopf mehr als doppelt so viele Patente wie Frankreich, viermal so viele wie Italien, fünfmal so viele wie Großbritannien und 18-mal so viele wie Spanien - von Portugal (56-mal so viele) und Griechenland (110-mal so viele) ganz zu schweigen. **Lediglich die Schweiz und Schweden liegen in den Pro-Kopf-Patentzahlen noch vor uns**. Unsere Innovationskraft ist im europäischen Kontext herausragend und kann sich auch im globalen Maßstab sehen lassen.

4. Starke Produktionsbasis

Anders als beispielsweise Großbritannien und die Vereinigten Staaten hat Deutschland seine Produktionsbasis **erhalten**. Während dies bis vor kurzem als rückständig galt, werden wir heute dafür bewundert. Die Korrelation zwischen Produktionsbasis und Leistungsbilanzsaldo ist mit 79 Prozent extrem hoch. Deutschland mag in diesem Sinne zwar altmodisch sein, aber ist nicht zuletzt deswegen im Export erfolgreich.

5. Entwicklung der Lohnstückkosten

Die deutschen Exporte profitierten in den letzten zehn Jahren massiv von der günstigen Entwicklung der **Lohnstückkosten**. Diese sind von 2002 bis 2010 mit Ausnahme der Krisenjahre 2008/9 nur moderat gestiegen oder sogar gefallen, während sie im Euroraum insgesamt um 22 Prozent und in Frankreich um 26 Prozent **anzogen**. Der Anstieg in Deutschland betrug hingegen **nur 6 Prozent**.

6. Scharfe Konkurrenz

Michael Porter hat auf die enge Korrelation zwischen **scharfer interner Konkurrenz** und dauerhafter internationaler Wettbewerbsfähigkeit hingewiesen. **Ein Drittel der Hidden Champions sehen ihre schärfsten Wettbewerber in Deutschland, oft sogar in regionaler Nähe.** Die harte interne Konkurrenz trägt entscheidend zur Export- und Wettbewerbsstärke deutscher Unternehmen bei.

7. Made in Germany

Aus dem 1887 von den Engländern als Zeichen für minderwertige Qualität gedachten „Made in Germany“ ist heute genau das Gegenteil geworden, ein Gütesiegel erster Klasse. Es besteht kein Zweifel, dass „Made in Germany“ und die dahinterstehende Qualität wesentlich zum anhaltenden deutschen Exporterfolg beitragen.

8. Industriecluster

Dazu zählen traditionelle Cluster wie etwa für Schneidwaren in Solingen, Wälzlager in Schweinfurt, Schließtechnik in Velbert oder Bleistifte in Nürnberg. Andere, wie das Ventilatorencluster in Hohenlohe, das Interfacecluster in Ostwestfalen, das Isoliergefäßcluster in Wertheim oder das Windenergiecluster in Norddeutschland sind jüngeren Ursprungs. Solche Cluster versammeln höchste Kompetenz weltweit in einer Region und fördern Höchstleistung.

9. Unternehmercluster

Neben den branchenbezogenen Industrieclustern finden wir eine andere Art von Konzentration, die ich Unternehmercluster nenne. Häufig gibt es in enger Nachbarschaft mehrere Hidden Champions, die nicht in der gleichen Branche tätig sind, also keinem Industriecluster angehören. Windhagen im Westerwald hat 4260 Einwohner und drei mittelständische Weltmarktführer: Wirtgen bei Straßenfräsen, JK bei professionellen Sonnenbräunern und Geutebrück bei Überwachungssystemen. Ähnliches beobachtet man quer durch die Republik in Neutraubling in Niederbayern, in Künzelsau, in Haiger in Hessen, in Oberkochen auf der Ostalb oder in Verden an der Aller, um nur einige Orte mit Hidden Champions-Clustern zu nennen. Was geht hier vor? Die Erklärung liegt in einem sozialen Ansteckungsprozess. Anders als beim Industriecluster ist das Verbindende nicht die Branche, sondern das soziale Netzwerk, das Inspiration liefert, einem Erfolgreichen nachzueifern. Deutschland ist viel unternehmerischer als wir vermuten.

10. Regionale Streuung

In den meisten Ländern dieser Welt ist die Intelligenz an einem Ort, in der Regel in der Hauptstadt, konzentriert. Wenige Länder sind so dezentral strukturiert wie Deutschland. Selbst auf dem Lande findet man bei uns überall Weltklasseunternehmen. **Ich halte diese regionale Streuung für einen enormen Vorteil.** Selbst in den neuen Bundesländern sind mittlerweile 45 Hidden Champions entstanden.

11. Duale Berufsausbildung

Dieses in der Welt einmalige System wird regelmäßig als eine der wichtigsten Ursachen der deutschen Wettbewerbsstärke genannt - mit Recht. „Deutschland steht sehr gut da“, heißt es in einer Studie der OECD zur beruflichen Bildung aus dem Jahre 2010. Dem ist nichts hinzuzufügen, außer vielleicht, dass immer mehr Länder versuchen, das deutsche System nachzuahmen.

12. Geostrategische Mittellage

Selbst in Globalia, der globalisierten Welt der Zukunft, existieren Distanzen und Zeitzonen. Deutschland hat in dieser Hinsicht eine einzigartige Mittellage. Wir können innerhalb normaler Bürozeiten mit Japan und Kalifornien telefonieren. Zwischen Amerika und Asien geht das nicht, da die Zeitunterschiede zehn bis zwölf Stunden betragen. Auch unsere Reisezeiten in die wichtigsten Geschäftszentren der Welt sind kürzer als

diejenigen, die Asiaten oder Amerikaner auf sich nehmen müssen. Selbst innerhalb Europas liegen wir zentral. Das sind Vorteile, die mit zunehmender Globalisierung an Gewicht gewinnen.

13. Mentale Internationalisierung

Stets erforderte internationales Geschäft eine kulturelle Horizonterweiterung. „Die beste Sprache ist die Sprache des Kunden“, sagte schon Anton Fugger. Unter den großen Ländern liegt Deutschland in der mentalen Internationalisierung mit Abstand vorne. Kleinere Länder wie die Schweiz, die Niederlande oder Schweden sind allerdings noch weiter.

Natürlich gibt es weitere Erklärungen. So werden oft typisch deutsche Tugenden wie Gründlichkeit oder Pünktlichkeit angeführt. Unsere Analyse belegt, dass der globale Erfolg deutscher Unternehmen, nicht auf eine einzelne Wurzel zurückgeht, sondern aus einem komplexen Bündel teilweise interagierender Ursachen entsteht. Und eine weitere wichtige Einsicht besteht darin, dass diese Ursachen nur schwer imitierbar sind.

Hermann Simon versucht, wissenschaftliche Erkenntnisse und praktische Notwendigkeiten zu verbinden. Er ist Aufsichtsratsvorsitzender der Beratungsgesellschaft Simon Kucher & Partners. Der Artikel ist ein Exzerpt aus seinem neuen Buch „HiddenChampions - Aufbruch nach Globalia“ (Campus-Verlag).

Quelle: F.A.Z.

Nobel Prize for European unification



European integration has brought the continent peace, reconciliation and democracy, the Nobel Committee said explaining its decision. (© AP/dapd)

The European Union is the winner of the 2012 Nobel Peace Prize. The Union has helped to turn a continent of war into a continent of peace, the Nobel Committee declared on Friday in Oslo. Some commentators endorse the decision and see the prize as a sign of hope in the crisis. Others comment that solidarity is dwindling in Europe, and that the EU would never have come this far without its partners.

[Les Echos - France](#)

A unique and astonishing performance

[Jyllands-Posten - Denmark](#)

Fresh courage for a joint future

[Sme - Slovakia](#)

Europe would be poorer and more dangerous without EU

[România Liberă - Romania](#)

Europe needs wake-up call, not prize

[Die Presse - Austria](#)

Don't forget the US's contribution

[Postimees - Estonia](#)

Why didn't it win back in 2004?

Guest Post: How To Spot A Keynesian



ZeroHedge Submitted by [Tyler Durden](#) on 10/14/2012 15:30 -0400

Via Gregory Cummings of the [Ludwig von Mises Institute of Canada](#),

According to the great Doctor Gary North, the litmus test of Keynesianism is the attack on austerity. He [writes](#):

Let's say that you are reading an article on what the Greek government should or should not do. You read that the government's proposed austerity measures will lead to a reduction of production. This will lower tax revenues. The government-debt-to-GDP ratio will increase. Austerity will therefore not solve Greece's economic problems.

The article was written by a Keynesian.

In an opinion piece published by *The Globe and Mail* entitled ["Europe must realize austerity doesn't work,"](#) Pierre Briancon is true to this Keynesian form:

The Greek economy has shrivelled to three quarters of what it was three years ago, before embarking on its successive turnaround-cum-bailout plans. Euro zone governments keep contributing religiously to their own recession by forcing ever higher degrees of pain on their sick economies.

Spain is slashing public spending and wonders why its gross domestic product is shrinking as well. Britain is slowly sinking under the mindless policies of austerity without perspective. Meanwhile, central bankers keep pushing for ever stricter fiscal discipline, under the eternal slogan of ideologues throughout centuries: "There's no other way."

First of all, the **laughable notion of the unflinching central banker insistent on fiscal discipline makes about as much sense as Betty Crocker advocating hunger strikes.**

Briancon continues:

Meanwhile it is left to the IMF's economists to state the obvious. The record is clear. Austerity hasn't worked. There's little hope it will. Let's first work on growth. Then we'll be virtuous.

Austerity simply means less government spending. By "growth," the author means an elevated GDP statistic brought about by more government spending. **Keynesians believe that government spending is a panacea.**

The money that government spends comes from a combination of **taxation, borrowing** and **monetary inflation**. In order to evaluate the impact of austerity it is necessary to reflect on these sources of government spending.

When less money is confiscated from taxpayers through taxation, private citizens retain more of their wealth. With increased coffers, individuals may then spend the fruits of their labour on additional capital or consumer goods. How does this shrivel the economy?

When less money is borrowed by the government, more money is available to be lent to private citizens instead. Individuals may then use these loans to invest in capital or purchase consumer goods. How does this shrink the economy?

In the insidious case of monetary inflation, money is created out of thin air and then spent by the government. [According](#) to John Maynard Keynes, monetary inflation performs the “miracle... of turning a stone into bread.”

But the truth of the matter is that there is no such thing as a free lunch. The phony prosperity of monetary inflation is entirely illusory. **You cannot get something for nothing.**

Dr. North sums up his Keynesian litmus test as follows:

So, whenever you see a criticism of austerity as fostering recession, you are reading a Keynesian. He may not call himself a Keynesian, but in this case, he is delusional.

Only Keynesianism teaches that reduced national government spending (“austerity”) in a nation whose national government spends [40% of its GDP](#) (Greece) will produce a recession.

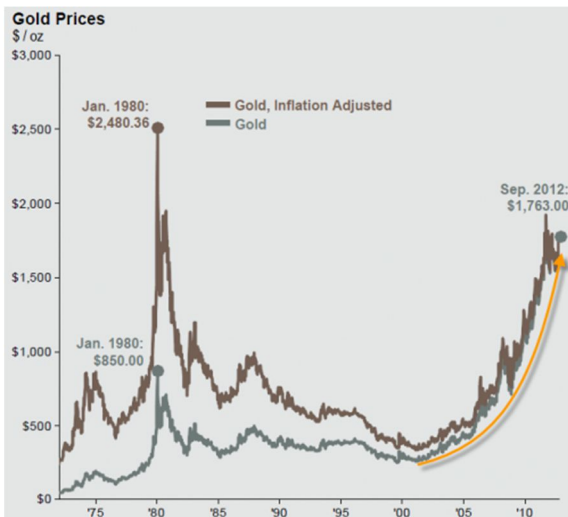
Keynesian economic pundits advance many fallacious arguments about government spending. Chief among them is the **egregious notion that mortgaging your posterity with debt and deficits is somehow “virtuous.”**

ECB's Weidmann On Gold: "Money Is A Social Convention"



ZeroHedge Submitted by [Tyler Durden](#) on 10/14/2012 22:18 -0400

A few weeks ago [we noted](#) Bundesbank president and ECB governing council member Jens Weidmann's analogy between the Faustian bargain offered by a money-printing Mephistopheles in Goethe's classic prose and today's ubiquitous oh-so-tempting short-term solution to everyone's pain. His full speech (below), while a little dramatic, should indeed strike fear into many with its clarity. **The financial power of a central bank is unlimited in principle**; it does not have to acquire beforehand the money it lends or uses for payments. Many believe Goethe was portraying the modern economy with its creation of paper money as a continuation of alchemy by other means. **While traditional alchemists attempted to turn lead into gold, in the modern economy, paper was made into money.** Indeed, the fact that central banks can create money out of thin air, so to speak, is something that *many observers are likely to find surprising and strange, perhaps mystical and dreamlike, too – or even nightmarish.* Of course, Weidmann concludes, it is important that central bankers, who are in charge of a public good – in this case, stable money – bolster public confidence by explaining their policies. **The best protection against temptation in monetary policy is an enlightened and stability-oriented society [and Gold!].**



| World Gold Production | | |
|-----------------------|-------------|-------------|
| Year | Troy Ounces | Total Value |
| 2000 | 83.3 mm | \$23 bn |
| 2001 | 83.6 mm | \$23 bn |
| 2002 | 82.0 mm | \$25 bn |
| 2003 | 81.7 mm | \$30 bn |
| 2004 | 77.8 mm | \$32 bn |
| 2005 | 79.4 mm | \$35 bn |
| 2006 | 76.2 mm | \$46 bn |
| 2007 | 75.6 mm | \$53 bn |
| 2008 | 73.3 mm | \$64 bn |
| 2009 | 79.1 mm | \$77 bn |
| 2010 | 82.3 mm | \$101 bn |
| 2011 | 86.8 mm | \$136 bn |

Jens Weidmann; Speech at the 18th colloquium of the Institute for Bank-Historical Research (IBF) in Frankfurt

The caption for today's event is "Paper money – Public finances – Inflation. Did Goethe hit upon a core problem of monetary policy?"

Money and money creation

I wish to begin with a question which appears trivial at first glance but which, as experience has shown, is particularly difficult. **What is money exactly?** A succinct response from an economist would be: **Money is what money does.**

As money is defined by its functions, various instruments are fundamentally capable of acting as money, as long as they can be used as a medium of exchange, medium of payment and store of value.

Shells were previously used as money in some countries, for example, as were furs, salt or pearls. Livestock could also serve as money – the Latin word for cattle is “pecus” from which the word “pecunia”, meaning money, is derived.

Concrete objects have served as money for most of human history; we may therefore speak of commodity money. A great deal of trust was placed in particular in precious and rare metals – gold first and foremost – due to their assumed intrinsic value.

In its function as a medium of exchange, medium of payment and store of value, gold is thus, in a sense, a timeless classic. “To gold they tend, on gold depend, all things!”, says Margaret in the First Part of Goethe’s Faust.

However, **the money that we carry around in the form of banknotes and coins no longer has anything to do with commodity money.** Money has no longer been linked to gold reserves since the US dollar was removed from the gold standard in 1971.

In short: **today’s money is no longer backed by any real assets.** Banknotes are printed paper – and the experts amongst you know that the euro is printed on paper made of cotton – coins are minted metal.

That banknotes and coins are accepted as a medium of payment in our daily lives also has to do with the fact that they are the only legal tender. However, **ultimately the acceptance of banknotes is based on public confidence** that it can use this paper money to make purchases.

In this sense, **money is a social convention** – it has no intrinsic value which comes before its use; instead, its value is created by its constant exchange and use as money. By the way, this recognition that trust is central, or even constitutive, for the properties of money is very old; it was already discussed in the 4th century BC by Aristotle in his Politics and Nicomachean Ethics.

In recent times, in particular, many citizens are asking about the origin of money: where do the central banks actually acquire the huge amounts of money that they need to give billions in loans to the banking system as part of monetary policy operations or to make other purchases? Why it is often repeated in this context that central banks have virtually unlimited firepower?

Central banks create money by granting commercial banks credit against collateral or by buying assets such as bonds. **The financial power of a central bank is unlimited in principle; it does not have to acquire beforehand the money it lends or uses for payments, but can basically create it out of thin air.**

The printing of money is an appropriate image here; from an economic perspective, the printing press is not necessary, as the creation of money primarily shows up on the central bank’s balance sheet, on its accounts.

How does Johann Wolfgang von Goethe enter the equation when talking about the creation of money. Why have I widened the discussion further?

Money creation, Goethe, Faust and alchemy

Let me remind you briefly of the “money creation” scene in Act One of the Second Part of Faust.

Mephistopheles, disguised as a fool, talks to the Emperor, who is in severe financial distress, and says

“In this world, what isn’t lacking, somewhere, though? Sometimes it’s this, or that: **here’s what’s missing’s gold**”“

The Emperor finally responds to Mephistopheles’ subtle attempt to persuade him,

“I’m tired of the eternal ‘if and when’:

We’re short of gold, well fine, so fetch some then”

To which Mephistopheles replies

“I’ll fetch what you wish, and I’ll fetch more”

In the commotion of the nocturnal masquerade ball, he persuades the Emperor to sign a document – a document which Mephistopheles has reproduced over night and then distributed as paper money.

Those involved are quite taken by the initial success of this measure. The Chancellor is delighted to announce

“See and hear the scroll, heavy with destiny, – (referring to the paper money that has been created) –

that’s changed to happiness our misery”

He reads,

“**To whom it concerns, may you all know,**

This paper’s worth a thousand crowns or so”

A little later, Mephistopheles stirs up the general elation even further by saying

“Such paper’s convenient, for rather than a lot

Of gold and silver, you know what you’ve got.

You’ve no need of bartering and exchanging,

Just drown your needs in wine and love-making.”

Those concerned are so overjoyed by this apparent blessing that they do not even suspect that things could get out of hand.

In the Second Part of Faust, the state can get rid of its debt to begin with. At the same time, private consumer demand rises sharply, fuelling an upswing. In due course, however, **all this activity degenerates into inflation, destroying the monetary system** because the money rapidly loses its value.

It is very **striking that Goethe throws light in this way on the potentially hazardous connection between paper money creation, public finances and inflation** – and thus on one core problem of uncovered monetary

systems. This is all the more remarkable given that Faust and Goethe are not generally immediately associated with economics, especially not with such central areas of conflicting monetary policy priorities.

The fact that **Faust can indeed be interpreted in economic terms has been demonstrated**, not least, by Professor Adolf Hüttel, who used to be Vice-President of the former Land Central Bank in Hesse. I am delighted that he is in attendance here today. Back in 1965, he wrote a very insightful article in the Bundesbank's staff magazine about "Money in the Second Part of Goethe's Faust".

In the mid-1980s, while teaching in Sankt Gallen, Professor Hans Christoph Binswanger – who I am pleased to say is also here today – took a similar line and brought out a book entitled "Money and Magic: a Critique of the Modern Economy in the Light of Goethe's Faust".

Binswanger's thesis is that Goethe was portraying the modern economy with its creation of paper money as a continuation of alchemy by other means. **While traditional alchemists attempted to turn lead into gold, in the modern economy, paper was made into money.**

Indeed, the fact that central banks can create money out of thin air, so to speak, is **something that many observers are likely to find surprising and strange, perhaps mystical and dreamlike, too – or even nightmarish.**

The responsibilities of an independent central bank

If central banks can potentially create an unlimited amount of money out of thin air, how can we ensure that money remains sufficiently scarce to preserve its value? Does this ability to create money more or less at will not create the temptation to take advantage of this instrument to create additional leeway short term, even at the risk of highly probable long-term damage?

Yes, **this temptation certainly does exist, and many in monetary history have succumbed to it.** Taking a look back in time, this was often the reason for establishing a central bank: to provide those in power with free access to seemingly unlimited financial resources.

However, **such government interference in central banking**, combined with the government's large demand for funding, often led to a strong expansion in the volume of money in circulation, causing it to **lose value through inflation.**

In light of this experience, central banks were subsequently established as independent institutions, with the mandate to safeguard the value of money, in order to explicitly keep the government from co-opting monetary policy.

The **independence of central banks is an extraordinary privilege** – it is, however, not an end in itself. Instead, its primary purpose is to use its credibility to ensure that monetary policy can focus unhindered on preserving the value of money.

Independent monetary policy combined with policymakers with a well-functioning, stability-oriented compass are a necessary – but not a sufficient - condition for preserving the purchasing power of money as well as public confidence in it.

Of course, it is important that central bankers, who are in charge of a public good – in this case, stable money – bolster public confidence by explaining their policies.

The best protection against temptation in monetary policy is an enlightened and stability-oriented society.

Health care

You didn't pay for it

The Economist Oct 15th 2012, 16:29 by A.C.S | NEW YORK

I RECENTLY came across a [political ad](#) which featured an elderly man telling politicians to stay away from his Medicare. After all, he paid for it, the ad suggested. That struck me as interesting.

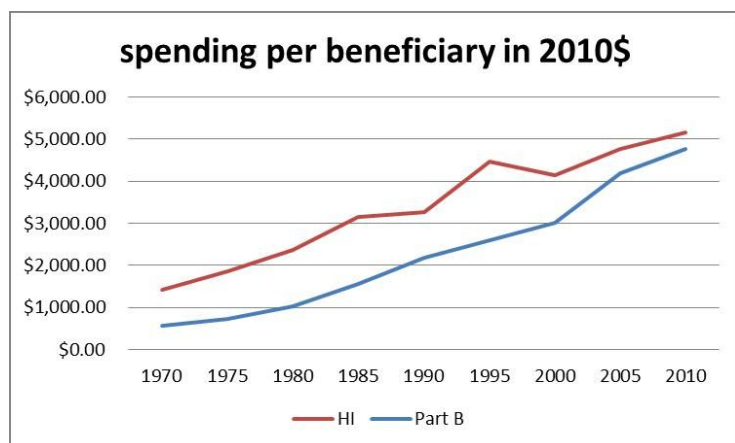
Medicare's scope has expanded quite a bit since today's older Americans started paying taxes. Part D, which covers drug benefits, was introduced just six years ago. It is partly funded by premiums paid by current retirees, but mostly through general revenues from the Treasury (from current and future tax-payers). So for much of his working life, the gentleman in the ad paid taxes toward a different, smaller programme.

More generally health care is a peculiar good, and health insurance is an unusual product in that it guarantees a basket of services which is always improving and getting more expensive. In some ways it's like buying fire insurance on the best house in your town in the 1970s and paying premiums on it for forty years. Were the house to burn down today, would you be entitled to a benefit equal to the value of the old house or the value of the current best house in town? I can't imagine an insurance company that would offer a contract on the latter. But that is how health insurance works: both the government-provided and private varieties.

Now in a contractual sense retirees that have paid their premiums are obviously entitled to that ever-improving basket of goods. That does not mean that they have really *paid* for it. According to the [Urban Institute](#) an average-earning couple who retired in 2011 would have paid about \$116,000 in Medicare taxes over their lifetimes, but can expect lifetime Medicare benefits of \$357,000 net of premiums. The later one retires, the more generous Medicare becomes. An average-earning couple who retires in 2030 pays \$175,000 in taxes, but gets \$527,000 in benefits.

Medicare promises hospital care (known as HI), some outpatient services (part B), and (if you opt in to the drug benefit—part D) prescription drugs. When Medicare was created in the 1960s people did not live as long in retirement as they do now. In 1960 a 65-year-old male was only expected to live 12.9 additional years; in 2010 he could expect 16.5 more years. That's a longer period over which to consume health care (indeed, the consumption of health care is a key contributor to the additional years). And as life-extending technologies improve dying is becoming a more protracted and expensive process.

This partly explains why Medicare spending per beneficiary has increased so much. The [figure below](#) shows spending per enrollee since 1970:



Total spending increased from \$2,000 in 1970 to \$11,700 in 2010.

A portion of rising health care costs is passed on to retirees. For example they pay premiums on Part B, and the premiums increase with health costs. Part B premiums must finance 25% of cost of the programme, and do pose a large burden on retirees. Right now Medicare premiums and cost-sharing expenses [take up](#) about 27% of retirees' Social Security benefit, and by 2030 it will be 36%. But most of the burden will fall on future tax-payers. Right now the programme makes up 3.67% of GDP, but it's expected to take up 6.7% by 2080.

Medicare is an extremely important programme. Even with it, most retirees [die with no assets](#). That's largely because sickness in retirement, and dying, is so costly. Medicare ensures that people get some of the care they need in those final days, but that's an increasingly expensive service to provide. Retiring baby boomers have paid taxes to support Medicare most of their careers, but the idea that they *paid* for all the benefits to which they feel entitled is a stretch.

10/15/2012 03:16 PM

Europe's Next Crisis

Britain Losing Allegiance to the EU

By Ralf Neukirch, Christoph Pauly, Christoph Scheuermann and [Christoph Schult](#)

Europe won the Nobel Peace Prize last week, but it comes at a time when the threat of the European Union splitting is considerable. Great Britain is turning away from the EU and the German government is allowing it to do so. In the future, Chancellor Merkel wants to forge ahead with projects London opposes.

David Cameron knows that if there is one thing that pleases his fellow party members, it's a rant against Brussels. At last week's Tory party conference in Birmingham, it didn't take long before the British prime minister had his audience in high spirits.

Cameron reminded his listeners of the negotiations with other European Union member states over the fiscal pact last December. "There were 25 people in the room, urging me to sign," he said proudly. "And still I said no." The reaction was predictable, with the delegates applauding enthusiastically.

The Tories had understood the message Cameron was trying to convey, namely that the government in London no longer has much in common with Europe. The British want to have no part of further integration on the continent, and they also want to withdraw from many areas of policy in which they have been involved in Brussels so far.

The new approach has sweeping consequences for the European Union. Cameron's stance has already prompted the Germans to rethink their approach. Chancellor Angela Merkel had long hoped that a permanent division of the EU could be avoided. She had repeatedly said privately that one should not give the British the feeling that they are no longer part of Europe, and that the door must be kept open for London.

Those hopes have now been dashed. The German government is convinced that the Euro Group will be the core of a new, more deeply integrated Europe.

Each additional step toward closer cooperation in the euro zone deepens the rift within the EU. The Germans are also unwilling to wait for the British to come around in other areas, such as foreign and defense policy. Ironically, Europe threatens to split the year the EU is being awarded the Nobel Peace Prize.

'Spectators in the Gallery'

This goes well beyond the [two-speed Europe](#) outlined by German Finance Minister Wolfgang Schäuble years ago. On the one side of the current divide is a hard core of countries that want to work together more closely. On the other side are countries like Great Britain, Denmark and Sweden, which are essentially condemned to be spectators if they no longer wish to join the rest. The dream of an expanding and more tightly integrated Greater Europe is over.

The French have no objections, given that they stand to benefit from this development. The individual countries would shape policy in the euro zone, which is what Paris has always preferred. The European Commission would lose some of its influence, while the Mediterranean countries would receive a stronger voice and Germany's power would wane.

When then-President Charles de Gaulle blocked England's accession to the European Economic Community, one of the precursors to the EU, in 1963, he said: "England's simple participation in the community would

considerably change its nature and its volume." The same now applies, only the other way around, for a Europe in which the British are at best spectators in the gallery, like Statler and Waldorf, the two old men on "The Muppet Show."

From the German perspective, the British always provided a counterweight to the French penchant for government control over the economy and trade barriers. For Berlin, they guaranteed that the EU did not compete with the United States on the global political stage. That was why Merkel long opposed any development that would permanently leave Great Britain behind.

Expediting the Split

But the Cameron administration's unwillingness to compromise leaves the German government with no choice. Berlin's official position continues to be that all integration steps must be fundamentally available to all EU members. But in reality the chancellor has long since come to terms with the fact that there will no longer be a path back to the center of the union for the British.

In a closed-door meeting with European Commission President José Manuel Durão Barroso in Bonn last Thursday, Merkel explained her proposal to develop a separate budget for the euro zone. Her advisors envision that the money will be earmarked for targeted measures to promote growth in euro-zone countries. If Merkel's idea prevails, it will be a reflection, in terms of fiscal policy, that there are now two European communities under the umbrella of the EU.

Barroso, who opposes the idea, told Merkel that a separate budget for the euro zone would only expedite the split within the EU. The Portuguese politician also has his own role in mind. The Commission has a strong position in the 27-member EU, but in the Euro Group, the leaders of the individual member states largely hold the reins. But Merkel is not backing down, and her proposal is still expected to be on the table at this week's EU summit.

Excluded From Key Decisions

Fiscal issues aren't the only area in which Berlin intends to proceed without London in the future. Berlin also doesn't want to be reined in when it comes to security and defense policy, which seemed to make little sense without Great Britain until now.

German Foreign Minister Guido Westerwelle, together with his counterparts in France and Poland, is determined to promote cooperation on security policy in the EU. Last fall, the British blocked an attempt by the other 26 EU member states to establish a joint headquarters for military missions. Now the plan is to be revived and implemented, even against London's resistance, if necessary.

The notion that Europe will largely have to make do without Great Britain in the future is also related to developments in the euro zone. The German government advocates parliamentary control in the group of 17 countries in the zone. This could consist, for example, of the formation of a panel of delegates to the European Parliament who come from the euro zone countries.

This could spell the exclusion of delegates from non-euro countries from key decisions. While countries like Poland eventually hope to join the euro, and thus be accepted into Europe's inner leadership circle, Great Britain definitively rules out joining the euro.

A Divisive Force

The British are increasingly perceived as a divisive force in the European Parliament. Hardly a day goes by on which they do not raise new demands, says Herbert Reul, the chairman of the group representing Germany's center-right Christian Democratic Union (CDU) and its Bavarian sister party, the Christian Social Union (CSU) in the European Parliament. Reul says the sentiment they should just leave has become common among his colleagues.

Cameron doesn't want to let things go that far, and he is hoping to avoid an official exit from the EU for as long as possible. But he faces a dilemma. On the one hand, he has to make allowances for his coalition partners, the Liberal Democrats, who still see the advantages of EU membership. On the other, he sees how strong the right-wing populist United Kingdom Independence Party (UKIP) has become, currently polling at between 7 and 12 percent. The UKIP wants Great Britain to withdraw from the EU completely.

Most of all, however, Cameron must contend with the public, which fears a creeping takeover of the Britain by bureaucrats in Brussels. In opinion polls, close to 50 percent of Britons say that they would vote for a withdrawal from the EU in a referendum.

Gauging Impact

Over the summer, Foreign Secretary William Hague announced a comprehensive audit of the impact, good and bad, of EU law on Britain. Hague wants to examine all treaties under which his country has transferred power to Brussels. The move is also a concession to the backbenchers who would support a withdrawal and who, while having little power, receive a lot of support from the people for their critical stance on Europe.

For the audit, each government ministry will initially interview the companies and associations within its scope of responsibility to determine how they feel about certain guidelines, regulations and agreements. "This is government inviting all the interest groups in British business and British society to give their considered view - - both the good side and the bad side together," says David Lidington, minister for Europe at the Foreign Office. A government team will prepare reports based on these opinions, which will be published bit by bit until the end of 2014.

The audit, essentially a gigantic cost-benefit analysis, is set to begin this fall. No EU member has ever ventured to do anything of the sort before, partly because many European leaders fear that the union could break apart more quickly if individual members were to choose the legislation that most appeals to them, as if they were selecting dishes from a menu.

An Ugly Fued

At the end of September, Cameron announced, almost as an aside, that his government intends to withdraw from a Europe-wide system of cooperation among judicial and police authorities. The decision affects more than 130 regulations, which also include the European arrest warrant. If Great Britain's intentions are serious, it will become much more difficult for German authorities to apprehend criminals who have fled to Britain.

If Cameron also wants to bring other powers from Brussels back to London, it will openly contravene the preamble of the EU Treaty, which the British ratified. In the preamble, all member states pledge "to continue the process of creating an ever closer union among the peoples of Europe."

The Europeans are unwilling to grant the British further special rights, and the next conflict is already taking shape. Last week, 11 euro-zone countries resolved to introduce a financial transaction tax. The French and the Germans, in particular, were tired of waiting for the British. Officials in Brussels now fear that London will attempt to block the tax.

But it isn't the case that the government in London is keeping itself out of the affairs of the euro zone. When Chancellor of the Exchequer George Osborne vociferously called for the introduction of euro bonds, for example, he inflamed the dispute between the north and the south.

'Regrettable'

EU High Representative for Foreign Affairs Catherine Ashton must also contend with her fellow Britons' repeated interventions whenever she or other EU representatives seek to issue statements on behalf of the EU at the United Nations or elsewhere. The government in London has even deployed a team of legal experts to find arguments to block joint EU statements.

For instance, the British insist that discussions in the World Health Organization (WHO) in Geneva have nothing to do with foreign policy. Instead, London argues, such discussions relate to healthcare policy, over which Brussels has no control. The EU and its predecessors "have over six decades contributed to peace and reconciliation," the Nobel Committee wrote. But at the moment its member states are engaged in an ugly feud.

People in Brussels and in many member states are so upset about Britain's behavior that a scenario is becoming conceivable that all sides had hoped to avoid until now: If the many opponents of Europe among the Tories prevail, the European treaties will have to be renegotiated.

Euro Group President Jean-Claude Juncker and European Commission President Barroso had already planned to do so, but on completely different terms. They wanted to convene a constitutional convention, which they hoped would ultimately lead to something like a United States of Europe. The visionaries wanted to create the position of euro finance minister, and they also imagined a shared foreign and security policy, even to the point of combining all of the member states' military forces.

No Illusions

Now it could happen that a convention initiated by Great Britain will achieve precisely the opposite result, namely the division of Europe. This, at least, is the fear that has senior crisis managers in Brussels worried at the moment. Greece's financial problems are no longer at the top of their list, but rather the possible departure of one of Europe's largest countries.

No one in Germany wants this, but no one with any political responsibility has any illusions about London's European policy, either. "We find it regrettable that England is taking certain steps without us," says Rainer Brüderle, the parliamentary leader of the business-friendly Free Democratic Party (FDP). But he also knows where Germany's policy priorities lie. "We must eliminate the birth defect of the euro, and we need a stronger political union." And that, apparently, will only be achievable without Great Britain.

Translated from the German by Christopher Sultan

10/15/2012 06:16 PM

Rising Energy Prices

Germans Grow Wary of Switch to Renewables

Germany's switch to renewable energies is driving up electricity bills across the country, with a green technology surcharge set to rise by nearly 50 percent next year. With frustration over the high price tag, it promises to become a key issue in next year's election campaign.

Germany's four leading electrical grid operators -- RWE, E.ON, Vattenfall and EnBW -- announced on Monday that they would be hiking by 47 percent the charge to consumers that goes into financing subsidies for producers of renewable energy. For the time being, solar, wind and biomass power make up a quarter of the country's electricity supply but are set to account for 80 percent by 2050.

Germany's status as a global leader in clean energy technology has often been attributed to the population's willingness to pay a surcharge on power bills.

But now that surcharge for renewable energy is to rise to 5.5 cents per kilowatt hour (kWh) in 2013 from 3.6 in 2012. For an average three-person household using 3,500 kWh a year, the 47 percent increase amounts to an extra €185 on the annual electricity bill.

Consumer Priorities

The steep rise in the surcharge is likely to trigger debate about the cost to consumers of Berlin's energy revolution, a drastic energy policy reversal triggered by the 2011 Fukushima nuclear plant disaster in Japan.

Known as the *Energiewende*, the shift to a sustainable energy supply based on renewable energies and the phasing out of nuclear energy by 2022 has evolved into one of the top priorities of Chancellor Angela Merkel's government.

With costs associated with that energy revolution now spiralling, however, it is likely to become a central issue ahead of next fall's general elections. According to a recent poll conducted by Emnid, Germans are more interested in affordable electricity than in the nuclear phase-out. Now faced with the bill for the switchover, consumers may start to withdraw their support.

Sharing the Costs

"For many households, the increased surcharge is affordable," energy expert Claudia Kemfert from the German Institute for Economic Research told AFP. "But the costs should not be carried solely by private households."

But experts have pointed out that with many energy-intensive major industries either exempt from the tax or paying a reduced rate, the costs of the energy revolution are unfairly distributed.

Last week, Environment Minister Peter Altmaier unveiled a complex roadmap aimed at holding costs in check. But according to the German Federal Association for Energy and Water Management (BDEW), further expenses are still in store for consumers.

Meanwhile, the German Federal Association of Renewable Energies (BEE) maintains that not even half the surcharge goes into subsidies for green energy. "The rest is plowed into industry, compensating for falling

prices on the stock markets and low revenue from the surcharge this year," BEE President Dietmar Schütz told the influential weekly newspaper *Die Zeit*.

Coalition Differences

As election year looms, the surcharge is also causing tension between Merkel's Christian Democrats and their junior partners, the Free Democrats.

Economics Minister Philipp Rösler called for a "rapid change to energy policy" in response to the network operators' announcement. He stressed that the switch to renewable energies must be economically viable and described the new surcharge as "an alarming signal."

Speaking to the *Passauer Neue Presse* at the weekend, he put the case for a reduced energy tax, only for the environment minister to reject the suggestion in an interview on Monday with public broadcaster ZDF. "I am not convinced by the idea," said Altmaier emphatically.

'No Bankruptcy in Greece'

German Finance Minister Rules Out Greek Euro Exit

Greece is not going bankrupt and it is not going to be forced out of the euro zone. That was the message delivered over the weekend by German Finance Minister Wolfgang Schäuble in Singapore. But how much it will cost to keep Athens in the common currency club remains up for debate.

After weeks of saying that no decisions about Greece's future would be made until after the release of the next troika report, German Chancellor Wolfgang Schäuble broke his silence on Sunday and said that Athens would remain a member of the euro zone.

Answering a question about Greece during a speech in Singapore, Schäuble said, "I think there will be no government bankruptcy in Greece." He added that Athens could remain part of the common currency if it continued to fulfil the conditions set by its public creditors and monitored by the troika, which is comprised of the European Commission, the European Central Bank (ECB) and International Monetary Fund (IMF).

The statement comes in the middle of an apparent split within the troika over the contents of its upcoming report. Originally, the international creditors had reached an agreement with Athens that the country must reduce its deficit to 120 percent of gross domestic product by 2020. Adherence to this agreement had been a precondition for the disbursement of the next €31.5 billion (\$40.83 billion) tranche of credit to Athens. Given the current negative economic developments in the country, the troika has concluded in its internal calculations that Greece can no longer meet that target.

But there is disagreement over how far off Greece will be, according to a report in this week's issue of SPIEGEL. The IMF is predicting debt of 140 percent of GDP in 2020 and the ECB's calculations are similar. The European Commission appears to be alone in its more optimistic report of 128 percent by 2020. In order to create additional wiggle room within the report, experts at the troika have in recent weeks been requesting that euro-zone finance ministers give Greece an additional two years to meet its goal.

€30 Billion in Additional Costs

According to the current forecasts, that would lead to around €30 billion in additional financing -- a sum that could only be financed in one of two ways -- either through a debt haircut on the part of its government creditors or through a third bailout package. So far, German Chancellor Angela Merkel's government has refused either option out of concern there won't be support for it within her governing coalition.

"I don't think there is a majority for a third Greek package," said Rainer Brüderle, floor leader for the Free Democrats, Merkel's junior coalition partner. Michael Grosse Brömer, a senior conservative in parliament, said: "First we're working on getting the second package done. A third package for Greece isn't up for discussion right now." Resistance to further Greek aid is particularly strong with general elections approaching next autumn.

This weekend in Singapore, however, the focus of Schäuble's trip was primarily to promote the sale of government bonds -- namely those of Southern European countries. Schäuble is in southeast Asia for two days to try to generate interest among government and institutional investors for the bonds, which governments have had a tough time floating on the markets at affordable interest rates in recent months.

Can Southeast Asia Help Save the Euro Zone?

Singapore is not only home to the world's highest concentration of millionaires -- it also has cash to spend. The economy is growing at a breathtaking pace and Singapore's own finance minister is regularly reporting budget surpluses. In addition, the country has two sovereign wealth funds that have a combined investment capacity of \$300 billion. Schäuble would like to see Singapore start investing in bonds in the euro zone again.

The finance minister's hope is that if he can get other countries to invest in bonds from crisis-plagued countries like Spain, Italy and Portugal, then the problems those countries are having refinancing themselves can be diminished to the point that neither the permanent euro bailout fund, the European Stability Mechanism, nor the ECB would have to engage in any mass bond-buying programs. If Schäuble could help make these Southern European bonds attractive again, long-term relief for the euro zone might finally become a realistic scenario.

Schäuble did not receive any concrete pledges on bond purchases while in Singapore. Concerns over the architecture of the euro zone, in which 17 members of the common currency are largely autonomous when it comes to economic and fiscal policy, remain significant. Nevertheless, Schäuble still sought to send out the message that much has been done to shore up the euro and that the common currency is on the path to good health again.

It's a message he also planned to convey at the Asia-Europe Meeting (ASEM) summit of finance ministers from both continents in Bangkok on Monday before returning to Berlin. With the current talk of new aid potentially being required for Athens, Schäuble will have plenty of persuading to do back at home in Germany as well.

Debate

Let's give EU's Nobel money to Erasmus

15 October 2012

[The Guardian](#) London



Making Europeans. Snapshots from the Prague Erasmus programme, Czech Republic, 2009.

Presseurop based on [Sister Ray](#)

For its Erasmus student exchange programme alone, the EU deserves its Nobel Prize, for fomenting trans-national love-making and the creation of true Europeans.

[Philip Oltermann](#)

One criticism of the Nobel prize committee's decision to [award the prize to the EU](#) I have heard is that is a little bit like a lifetime achievement Oscar: at least 20 years too late, and only really brought about by the imminent death of the recipient. Other than the British centre-right press, which thinks the committee's decision is "[beyond parody](#)" and a "[late April fools joke](#)", that is the line in most of the European mainstream media.

That critique sounds sensible, but personally I think it's nonsense. The consensus now may be to see the Nobel as an award for the achievements of the past, but there are much stronger reasons to see it – as with Obama in 2009 – as an award for the potential of the future. If I had one word to explain why, it'd be this: Erasmus.

Erasmus is a European Union exchange programme established in 1987, which is widely popular on the continent but barely mentioned in the business sections that lead the way on European coverage in the UK. [More than 2.5 million students from across Europe have taken part in it since its inception](#). The UK is one of the most popular destinations, but one of the less active participants, considering its size: in the 2009/10 academic year, [the UK received 22,650 foreign students under the Erasmus exchange scheme, while sending abroad only 11,723](#).

There are spades of people who have gone on these schemes and never come back. Germans who fell in love with Spaniards, Greek women who ended up marrying Frenchmen, Poles who have kids with Portuguese mothers. The Italian novelist Umberto Eco last year said that "Erasmus has created the first generation of young Europeans." He describes it as "a sexual revolution: a young Catalan man meets a Flemish girl – they fall in love, they get married and they become European, as do their children."

Personally, I can't imagine that these parents and their children would be able to listen to a nationalist rabble-rouser calling for war and just listen in silence. They would speak up. What's more important: some of them are likely to become leading figures in the media, in business and in politics over the next 20 years, and they will increasingly think outside national boundaries. If the eurozone crisis can be overcome – and that's a serious if – then there are good chances that it will be followed by a period of peace so prolonged that the last 67 years will look short by comparison.

History

Yugoslavia syndrome threatens EU

15 October 2012

[De Volkskrant](#) Amsterdam



[Shooty](#)

The north earns the money, while the south spends it – while this phrase is currently being bandied about in the eurozone, it was also widely heard a quarter of a century ago in the former Yugoslavia. European politicians would do well to remember, a Dutch journalist contends.

[Olaf Tempelman](#)

“We take ten minutes for lunch, while they spend three hours. You earn money here by working hard, and there by paying bribes. Our hard earned cash has been flowing southwards for years. The money is earned in the north, only to be squandered away in the south.”

The preceding litany may appear typical of a eurosceptic in northern Europe. However, I actually discovered it in an old notebook dating from 1990, when I travelled throughout the former Yugoslavia by train. The speaker was explaining to me the why the northern republics were keen to extract themselves from this “twisted” federation.

The former multiethnic state of Yugoslavia was in many respects a mini version of Europe. Wages in the north were as much as three or four times those in the south. In stark contrast to the north, the south suffered considerable unemployment. And in much the same manner as today’s Euro nations, there was a distinct sense of powerlessness in the former Yugoslavia towards “distant” authorities, which people felt did not really represent them. While the EU is faced with a democratic deficit, however, the Socialist Federal Republic of Yugoslavia – a communist multiethnic state conceived by Tito (1892-1980) – was in fact a single-party state.

While today’s northern Europeans curse Brussels, Slovenians and Croats back then viewed Belgrade as synonymous with everything that was wrong: it’s Belgrade’s fault that our money is being drained away; Belgrade is a patronising, incompetent jumble of bureaucrats. The former Yugoslavia also had a single currency, the dinar, which was symbolic of those “distant authorities”. It was a widely held opinion that unification with the other peoples was simply an ideological project straight off the drawing board, and therefore an unnatural setup.

Destruction of Yugoslavia – anything but planned

The northern republics put up with paying contributions as long as prosperity continued, and as long as the inhabitants failed to notice much of their further entwinement with the other regions. This all changed in the

nineteen eighties, however, when Tito passed away, an economic decline commenced, and the north was obliged to save the south from bankruptcy. The current northern European slogan “not one more cent to the garlic nations” is eerily similar to the Slovenian one of that time: “no more funds for the biftek (beefsteak) zone”.

The populist revolt apparent in a number of EU nations is also similar to that in Yugoslavia a quarter of a century ago. There are clear similarities between politicians like Le Pen or Wilders and Franjo Tudjman or Slobodan Milosevic. To a man, they made their breakthrough on the back of nationalist discourse which had previously been taboo. And each of them took advantage of people’s frustration at authorities’ attempts to wrest both power and money from “their people”.

There is no point in debating the point whether the Dutch Freedom Party (PVV) or the True Finns have their sights set on ethnic cleansing. This was not Milosevic’s intention either: he was first and foremost simply an opportunist politician with a pretty short-term view. And while he bore quite considerable responsibility for the destruction of Yugoslavia, it was anything but planned.

Big shots in the European Union also appear to bear awkward similarities to the Titoist apparatchiks. Both seem rather unpleasantly surprised at signs of unpopularity, time after time. Both categories of administrators appear to have become enveloped in a sort of cocoon, which they are loathe to leave.

Diminishing democratic support for Europe

The Presidency of the European Council is similar to that of Yugoslavia in the nineteen eighties in terms of its rotation. The Yugoslav presidents had the same sort of standing in the federated republics that Herman Van Rompuy does among us, namely that of one who is appointed far from his own circles. Jean-Claude Juncker, president of the Eurogroup, is renowned for the following comment: “We all know what to do, we just don’t know how to get re-elected after we’ve done it.” These are the sentiments of an administrator who fears the populace – if we first have to establish democratic support, then it will only lead to further delay and compromise.

However, diminishing democratic support for Europe could have a far more detrimental effect than simply delay. One lesson that can be learned from the collapse of Yugoslavia is that monetary union in an area where there is an economic divide between north and south is bound to face threat unless people are meant to feel jointly responsible for it in a manner that at least appears in some way democratic. In times of plenty, they have little difficulty accepting such unity. When times become hard, however, they are inclined to view it as the cause of the problems.

The most substantial difference between the former Yugoslavia and the European Union is that the latter comprises democratic nation states. Populists and nationalists can only survive in a field of opposing democratic forces. It has often been suggested that the federation might have actually survived, if only there were greater democratic support for it, it had a more democratic political system, scope for open debate and freedom of the press.

Elected politicians representing the European nation states could create this support and render monetary union something the inhabitants themselves opt for, rather than it being imposed upon them. Otherwise, every time there is a crisis or setback, the electorate will simply view – justifiably or not – all policy as something ‘imposed by Brussels’, much to the benefit of anti-European forces. And while this is unlikely to lead directly to the implosion of the EU, it will undoubtedly cause further dissatisfaction and obstruction, which can only be appeased if the merits are clearly evident and borne out by elected politicians.

Translated from the Dutch by **Kelly Boom**

Nobel Peace Prize

Oslo's call to Europe

15 October 2012

[La Repubblica](#) Rome



Darío

The Nobel Peace Prize awarded to the EU is a double appeal, writes German philosopher Jürgen Habermas: to European leaders to save a Union that has broken down; and to its citizens, to show solidarity just as the crisis is undermining the European social model.

[Jürgen Habermas](#)

At the hour of the greatest crisis in its history the European Union has been awarded the Nobel Peace Prize. Among its reasons, the Nobel Committee congratulates the Union for having "helped transform Europe from a continent at war to a continent at peace."

Certainly, it would be difficult to imagine other reasons for giving out a Nobel Peace Prize. However, it's the circumstances of the current crisis that shed light on the significance of giving this Nobel to the European Union, or more precisely the repercussions such a decision may have on the current state of the Union.

I interpret the decision to award the Nobel Peace Prize to the EU at the moment when the Union has never been weaker as a petition directed at the European political elites – those same elites who, as we all see, are conducting themselves in the crisis today with neither courage nor vision.

The Nobel Peace Prize makes it clear to the governments that are presently steering the eurozone countries that they must step out from their own shadow and so move the European project forward. It is written in the text of the appeal in black and white, and at least three times.

A call for solidarity among its citizens

The Nobel Committee begins by praising the reconciliation and the building of peace in Europe after the Second World War. The text then discusses the efforts to build and promote democracy and freedom, as well as the liberalisations that the European Union promoted in the 1980s for Greece, Spain and Portugal, as it did in 1989-1990 for the countries of central and eastern Europe, which would join the Union later – efforts that Europe must now push ahead with in the Balkans.

The Nobel Committee salutes the courage that Europe was able to summon up to overcome historical hostilities and succeed in the civilising mission that is the enlargement of the European Union, which will one day extend

to Turkey. But that's not all. One had to wait to read the third reason of the Committee to discover the irony governing the bestowal of the Nobel Peace on the European Union.

The Nobel Committee refers to the economic crisis that is behind the "unrest and considerable social tensions" in the countries of the eurozone and that is pushing a Europe plagued by a weakness of leadership towards the edge of a rupture. What is at stake, if we read the text well, is the third major achievement of the Union: that is, its social model, grounded in the welfare state.

At the moment, we Europeans persist in remaining quietly and calmly on the threshold of a two-speed EU. That is why I also see the decision to award the Nobel Peace Prize to the European Union as a call for solidarity among its citizens, who must say what kind of Europe they want. Only by deepening the institutions of "Kerneuropa" – core Europe – will we tame the capitalism that has grown wild and stop the process of the internal destruction of the Union.



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Pour une Europe debout

L'aîné d'entre nous est né avec la paix européenne, consolidée plus tard de manière innovante par la Communauté de Monnet. Le cadet n'était pas né en 1968. Deux économistes, deux générations. Une même évidence : l'urgence de l'unité politique. Pour mettre enfin la paix à profit et sortir de la crise des États nationaux.

Depuis maintenant trois ans, la crise met en évidence, dans la douleur, l'interdépendance des économies de la zone euro, et les conséquences de cette unité de fait mettent quotidiennement l'Europe au cœur des débats politiques nationaux. Pourtant, il n'est pas certain que l'intégration européenne soit présentée et analysée de manière pleinement satisfaisante. Cette situation s'explique selon trois lignes de force.

La première est la persistance d'un filtre national qui déforme l'appréhension de la construction européenne au point de la dénaturer. La présentation du modèle allemand comme solution salvatrice aux problèmes européens est à ce titre éclairante. Les pays du sud structurellement déficitaires n'auraient qu'à suivre le modèle allemand de dévaluation interne, par la baisse des salaires, pour retrouver leurs avantages compétitifs et renouer avec les excédents.

Ce serait oublier non seulement que ces pays ne sont pas l'Allemagne, et que les excédents de celle-ci sont en partie les déficits des autres : il est frappant de constater que ce type de démarche qui voit des pays en union monétaire, et leurs régimes salariaux, fiscaux et sociaux, comme des concurrents empêche de raisonner à l'échelle de l'Europe. Comme si la recherche d'une réponse collective n'était plus à l'ordre du jour des décideurs européens.

La deuxième est le déni des effets de l'intégration en termes de souverainetés économiques nationales. Les débats aussi riches qu'anciens sur la pertinence ou non de règles budgétaires permettent surtout de pratiquer une stratégie de l'évitement. Après l'Europe allemande, nous avons au menu l'Europe autrichienne. Il nous faut sans cesse rappeler, voire marteler, l'impossibilité de demeurer souverains sur le plan budgétaire en union monétaire.

La défiance des marchés à l'égard d'États fortement endettés, combinés au recours systématique à des non-résidents pour financer les déficits publics place les Trésors nationaux sous des contraintes très fortes. Les crises grecques, irlandaises, portugaises ont fait prendre conscience violemment de cette réalité de l'intégration économique.

La troisième est la tendance des chefs d'État et de gouvernement à succomber à la procrastination qu'ils ont tenté de masquer par un pseudoactivisme institutionnel. En effet, les pays européens n'ont jamais signé autant de traités depuis vingt ans sans jamais répondre à la question de fond qui s'impose à nous depuis l'entrée des pays nordiques (1995), avant même l'élargissement aux Pays d'Europe centrale et orientale (2004), et depuis la création de l'union monétaire (1999), comment construire une Europe fédérale dotée de pouvoirs d'État ?

L'union monétaire sans unité politique, en tant que construction originale et inédite, n'a pas résisté à la crise qui frappe la zone depuis 2007. Il est connu qu'une union monétaire sans un degré suffisant de fédéralisme budgétaire n'est pas viable. Nous pouvons débattre des semaines entières sur le TSCG et sa règle budgétaire, cela ne réglera en rien le problème de fond, incontournable, celui du fédéralisme budgétaire et fiscal. Il ne faut

pas confondre les débats légitimes sur l'orientation des politiques économiques et ceux portant sur le cadre institutionnel optimal à mettre en place aussi rapidement que possible, à 17 et/ou à 27.

La combinaison de ces trois éléments est potentiellement explosive, car elle brouille incroyablement les cartes et offre un terrain favorable aux courants extrémistes. Il serait navrant que les manuels d'histoire de nos petits-enfants qualifient la classe politique européenne du début du XXI^e siècle d'apprentis sorciers ayant conduit le projet européen à sa perte.

Afin de sortir de ce piège aux issues potentiellement funestes, nous qui faisons métier d'expliquer l'intégration économique, appelons les décideurs européens à définir rapidement et à présenter publiquement l'objectif qu'ils souhaitent atteindre. Les petits pas réalisés depuis la création du Fonds européen de stabilité financière jusqu'à l'union bancaire en passant par l'évolution de la doctrine de la Banque centrale européenne et le TSCG ne permettent pas au peuple européen de comprendre le sens de l'Europe face à une crise dévastatrice sur le plan social. Il est urgent de franchir le pas d'une grande réforme démocratique visant la réalisation des États-Unis d'Europe.

À cet égard, le manifeste "Debout l'Europe !" de Daniel Cohn-Bendit et de Guy Verhofstadt devrait faire l'objet du soutien le plus large.

Bernard Barthalay, économiste, Président de Puissance Europe

Yann Echinard, économiste, Université de Grenoble

NYT October 14, 2012

Austerity Protests Are Rude Awakening in Portugal

By [RAPHAEL MINDER](#)

LISBON — [Portugal](#) has long been regarded a role model in the grinding euro zone crisis. In return for an international bailout, its government cut services and raised taxes while its citizens patiently endured with little of the popular outcry seen elsewhere in southern Europe.

That is, until now.

Suddenly, the Portuguese, too, have joined the swelling ranks of Europe's discontented, following Greece and Spain, after the government tried to take another step up the austerity path last month. For many here, it was one step too far, driving tens of thousands into the streets in the largest protest of Portugal's crisis.

As Pedro Passos Coelho, Portugal's center-right prime minister, prepares to announce a new budget on Monday — filled with still more steep tax increases and public sector job cuts — he faces the kind of popular backlash that was, until recently, absent from the political and social landscape here.

Taking a page from the playbook of their Spanish neighbors, Portuguese protesters are planning to encircle the Parliament building here in the capital for the budget announcement. For their part, Portugal's powerful trade unions are preparing a general strike for Nov. 14. Arménio Carlos, the leader of the CGTP union, compared Mr. Passos Coelho to Pinocchio, accusing him of constantly changing his austerity message.

“It's clear that the amount of good faith the government enjoyed has been turned into large skepticism and distrust,” said Pedro C. Magalhães, a professor of politics at the University of Lisbon.

For a government that has assiduously followed the belt-tightening prescriptions of its international lenders — who rewarded Portugal with a 78 billion euro (\$101 billion) bailout — it has been a rude awakening to the risks of austerity, which has even strained the governing coalition of Mr. Passos Coelho's Social Democrats and the rival Popular Party.

Many here say the government has taken the population's compliance for granted.

The turning point came in September when Mr. Passos Coelho offered a plan to redistribute social security funds by cutting employers' social security taxes while significantly raising those of employees. Although the measure was meant to lower labor costs, the outcry from workers was so ferocious that he was soon forced to withdraw it.

But the damage was already done. The misstep is now credited with having rattled the social and political cohesion that had underpinned Portugal's painful but steady progress.

The withdrawal of the tax plan left the Portuguese, who had once grudgingly accepted the pain of austerity, with a new sense of empowerment, Mr. Magalhães said. “The fact that the government backed down and the fact that no catastrophe or international censure came out of it suddenly shows that there are no inevitabilities,” he said.

Carlos Moedas, secretary of state to the prime minister and in charge of overseeing Portugal's bailout program, said the reversal was “part of the journey” for any government forced to make significant adjustments in return for a bailout.

“The fact that we came back on our decision,” Mr. Moedas said, “had absolutely nothing to do with people coming out on the streets and everything to do with the fact that we got to understand that the ones who were supposed to be the beneficiaries actually did not want the measure.”

Still, the prime minister has struggled to regain the public’s confidence. The effort has been clumsy at best, his critics say. Many felt insult was added to injury when the government subsequently suggested that employers should lower not only their labor costs but their prices as well.

“We are at a low point in our relationship because a government seriously damages its credibility when it doesn’t take the pulse of the real economy before coming up with new measures,” said João Vieira Lopes, the president of the Portuguese Commerce and Services Confederation, which represents about 200,000 companies. Indeed, after watching helplessly while their economy shrank, many Portuguese are now openly challenging the austerity prescription as the wrong medicine for the malaise.

Mr. Vieira Lopes suggested that the fundamental problem was that the bailout assistance program from Portugal’s international lenders did not take sufficiently into account the specifics of the nation.

“The austerity model has been applied rather mechanically,” he said. “This is not a country full of big companies that can adjust to a decline in their domestic market, but rather small and medium-sized companies whose only option is then to close down.”

Many stores in downtown Lisbon are now either closed or advertising huge discounts, as citizens struggle in a deepening recession that has pushed unemployment to a record 15 percent. A sharp rise in the sales tax has decimated the restaurant sector. One measure of the hardship has been the sudden proliferation of the “marmita,” or lunch box, used by employees to take their home cooking to work. Even the investment banking division of Banco Espirito Santo, one of Portugal’s largest financial institutions, recently refitted a room with tables, refrigerators and microwaves to accommodate the trend.

As consumer spending is declining, so too are tax revenues. As part of its 2012 budget, the government anticipated that sales taxes would produce revenues 11.6 percent higher than in 2011. Instead, revenues were down 2.2 percent in the first eight months of this year, as the tax increases suffocate the economy.

This month, the International Monetary Fund predicted that Portugal would remain in recession next year, with an economy set to contract 3 percent this year and a further 1 percent in 2013.

Still, Abebe Selassie, the I.M.F.’s mission chief for Portugal, said that “it would be a mistake not to recognize the progress that has been made so far in Portugal despite stronger adverse negative shocks than assumed when we started the program.”

In particular, he added, “the Portuguese have been putting in place their program even in the face of strong headwinds from other parts of Europe.” In fact, like Spain, Portugal has recently been granted an additional year to meet previously agreed deficit targets, meaning that the new budget must allow Portugal to lower the deficit to 4.5 percent of gross domestic product in 2013 from an expected 5 percent this year. Portugal also recently managed to postpone the repayment of part of its debt after reaching an agreement with investors.

But the immediate concerns for Mr. Passos Coelho are on his doorstep. The aftermath of the social security reversal may be lasting, warned António Vitorino, a former Socialist minister and European commissioner.

“Such a political mistake can have permanent consequences when it hits a society that is already in a state of clear austerity fatigue,” he said.

Bartolone : l'objectif des 3% en 2013 est «absurde»

Par [Sophie Huet](#) Mis à jour le 14/10/2012 à 21:58 | publié le 14/10/2012 à 20:29 [Réagir](#)



Claude Bartolone. Crédits photo : RTL / Frédéric Bukajlo / Abacapress

Claude Bartolone était l'invité du « Grand Jury RTL-LCI-Le Figaro » dimanche soir.

[Claude Bartolone](#) a réaffirmé dimanche soir que l'objectif de réduction des déficits à 3 % du PIB avait «un côté absurde par rapport à la situation que nous connaissons». «L'Europe ne peut pas être le continent où l'on dit: rigueur, rigueur, chômage. En même temps, il faut que la France soit très attentive à montrer qu'elle veut désendetter le pays», a expliqué le président de l'Assemblée nationale, qui était l'invité du «Grand Jury RTL-LCI-Le Figaro». «Je le redis, c'est de la responsabilité des Européens, et notamment de la Commission européenne, que de dire que 3 % dans une période de croissance et 3 % dans un moment où l'Europe est confrontée à ces difficultés économiques, ce n'est pas la même chose», a-t-il insisté.

Opposé à l'inclusion des œuvres d'art dans l'ISF

Par ailleurs, Claude Bartolone a pris la défense des [entrepreneurs regroupés derrière les «pigeons»](#) et s'est félicité que le gouvernement ait reculé: «Le taux (de taxation des plus-values en cas de cession) aurait pu être décourageant pour les créateurs d'entreprise. C'était désastreux pour la relation à construire avec les entrepreneurs.»

Bartolone s'est en outre déclaré opposé à l'inclusion des œuvres d'art dans l'assiette de l'ISF. «Je pense que c'est une mauvaise idée. Il faut voir ce que ça peut rapporter et coûter. Cela pourrait affaiblir la place de Paris», a objecté Bartolone. Le président de l'Assemblée s'est en revanche dit «favorable» au dépôt d'un amendement PS sur la procréation médicalement assistée (PMA) dans le projet de loi sur le mariage homosexuel, alors que le premier ministre veut renvoyer l'examen de cette question à une future loi bioéthique. «Ce n'est pas une divergence sur le fond mais sur la forme», a relativisé Bartolone, qui a martelé: «Nous n'avons pas une majorité godillot. Nous voulons que le Parlement retrouve tout son lustre.» Interrogé sur l'attitude des 17 députés PS qui ont voté contre le traité européen, il a estimé: «On ne pourra pas faire comme si rien ne s'était passé.» Sur le vote des étrangers, Bartolone veut «continuer à discuter» avec Jean-Louis Borloo, qui ne souhaite pas de débat. «Je souhaite ce vote», a-t-il assuré.

Griechenland

Drücker am Werk

FAZ 14.10.2012 · Den „Rettern“ Griechenlands geht es nur noch darum, zu möglichst geringen eigenen politischen Kosten Griechenland abermals Finanzhilfen zu ermöglichen. Damit die Steuerzahler in den Geberländern weiter mitspielen, muss das griechische Zahlenwerk so aussehen, als gebe es nennenswerte Fortschritte.

Von [Heike Göbel](#)

Einen „Staatsbankrott“ Griechenlands hat der [Bundesfinanzminister jetzt wortwörtlich ausgeschlossen](#). Das erstaunt, weil Griechenland einen Teilbankrott bereits hinter sich hat, schließlich wurden dem Land erst zu Jahresbeginn durch einen Schuldenschnitt Verbindlichkeiten in dreistelliger Milliardenhöhe erlassen. Ohne weiteren Erlass (sprich „Bankrott“) wird das Land nicht auf die Beine kommen, weil seine Staatsverschuldung mit mehr als 170 Prozent der Wirtschaftsleistung immer noch viel zu hoch ist, um tragbar zu sein.

Deswegen hat [Jörg Asmussen, der deutsche Vertreter im Direktorium der Europäischen Zentralbank \(EZB\), angeregt, die Griechen sollten ihre Schulden zum aktuell niedrigeren Kurs zurückkaufen - natürlich mit geliehenem Geld](#) vom neuen dauerhaften Rettungsfonds ESM. Das drückte die Last, und formal leisteten die Gläubiger keinen Verzicht. Ratingagenturen dürften dies trotzdem und mit gutem Grund als „teilweisen Zahlungsausfall“ werten, doch viel tiefer kann Griechenlands Bonität ja ohnehin nicht mehr sinken. Und ob mit diesem oder einem anderen Trick - den „Rettern“ geht es erkennbar nur noch darum, zu möglichst geringen eigenen politischen Kosten Griechenland abermals Finanzhilfen zu ermöglichen. Damit die Steuerzahler in den Geberländern weiter mitspielen, muss das Athener Zahlenwerk so aussehen, als gebe es nennenswerte Fortschritte, flößen die Kredite nicht nach wie vor ins Bodenlose. Es ist ein Treppenwitz: Mussten die Griechen ihr Rechenwerk früher selbst schönen, assistieren ihnen beim Zahlendrücken nun die illustren Euro-Retter in den europäischen Hauptstädten, samt EZB und Internationalem Währungsfonds.

Wolfgang Schäubles Glaubwürdigkeit ist im Bemühen, den Euro um jeden Preis zu bewahren, auf der Strecke geblieben. Was immer der Minister heute auch sagt - garantiert ist, dass er morgen ein Argument finden wird, das Gegenteil für richtig zu erklären. Sollten den Griechen also demnächst doch wieder Schulden erlassen werden müssen, wird Schäuble erklären, dass ein Teilbankrott natürlich kein Staatsbankrott sei, oder so ähnlich. Fatalerweise scheint die Entscheidung des Nobelkomitees, der EU den Friedenspreis zu verleihen, so manchen Euro-Retter noch in dem Glauben zu bestärken, ökonomische Gesetzmäßigkeiten könnten im Bemühen um den Erhalt der Währungsunion nun vollends außer Acht bleiben. Doch friedlicher wird das Zusammenleben nicht, wenn das wirtschaftliche Fundament nicht stimmt.

Quelle: F.A.Z.

NYT October 13, 2012

Libya Struggles to Curb Militias, the Only Police

By [DAVID D. KIRKPATRICK](#)

BENGHAZI, Libya — A month after the killing of the American ambassador ignited a public outcry for civilian control of Libya's fractious militias, that hope has been all but lost in a tangle of grudges, rivalries and egos.

Scores of disparate militias remain Libya's only effective police force but have stubbornly resisted government control, a dynamic that is making it difficult for either the Libyan authorities or the United States to catch the attackers who [killed Ambassador J. Christopher Stevens](#).

Shocked by that assault, tens of thousands of people filled the streets last month to demand the dismantling of all the militias. But the country's interim president, Mohamed Magariaf, warned them to back off as leaders of the largest brigades threatened to cut off the vital services they provide, like patrolling the borders and putting out fires.

"We feel hurt, we feel underappreciated," said Ismail el-Salabi, one of several brigade leaders who warned that public security had deteriorated because their forces had pulled back.

Taming the militias has been the threshold test of Libya's attempt to build a democracy after four decades of dictatorship under Col. Muammar el-Qaddafi. But how to bring them to heel while depending on them for security has eluded the weak transitional government, trapping Libya in a state of lawlessness.

Now that problem has become entangled in the American presidential race as well, with Republicans [arguing](#) that the Obama administration's failure to protect Mr. Stevens illustrates the breakdown of its policy in the region. Mounting pressure on the administration to act against the perpetrators carries its own risks: an American strike on Libyan soil could produce a popular and potentially violent backlash in the only Arab country whose people largely have warm feelings toward Washington.

The militias' power is evident. In one of Tripoli's finest hotels, the Waddan, about two dozen militiamen from the western city of Misurata continue to help themselves to rooms without paying, just as they have for more than a year; the interim interior minister, also from Misurata, protects them.

In Benghazi, independent brigades are using tapped telephones to hunt down suspected loyalists of Colonel Qaddafi, with the help of his former intelligence services. Even the huge anti-militia protest here last month became cover for a [group of armed men to attack one of the largest brigades](#), possibly for revenge.

"Nothing changes," shrugged Fathi al-Obeidi, the militia commander who led a contingent of fighters that helped rescue the Americans in the besieged diplomatic mission here last month.

Some Benghazi residents even say that the militia seen carrying out the attack, Ansar al-Shariah, did a better job than the paralytic government at providing security and even some social services. "They are very nice people," said Ashraf Bujwary, 40, an administrator at a hospital where Ansar al-Shariah men had served as guards. Security has been "on shaky ground" since the militia fled, he said.

In some ways Ansar al-Shariah exemplifies the twilight world of post-Qaddafi Libya, in which residents with looted weapons have organized themselves into regional, tribal or Islamist brigades to keep the peace and defend differing visions of Libya. In Bani Walid, near Misurata, the dominant militia is made up of former Qaddafi loyalists who have embraced a local strongman and rejected the new government. Some brigades provide public security or services; others oppose democracy as contrary to Islam. [Ansar al-Shariah did both](#).

In a [Congressional hearing last week](#), Eric A. Nordstrom, the former chief of security at the American Embassy in Libya, said that he had tracked Ansar al-Shariah as a potential threat “for quite some time.” He characterized the brigade as both “extremist” and, in his view, an informal arm of the Libyan government.

Wissam Bin Hamid, the 35-year-old leader of a major Benghazi militia, Libya Shield, said he considered Ansar al-Shariah more of an Islamic “social club” than a fighting brigade. “Families come to them when they have a problem with a son,” he said, like drug use or bad behavior. Like other Benghazi militia leaders, he said he wanted to see evidence before blaming Ansar al-Shariah for the attack.

Organizers of the march against the militias nonetheless insisted they had achieved at least a subtle change. The big turnout showed that supporters of a civilian government were in fact “the force on the ground,” insisted Abu Janash Mohamed Abu Janash, 26, one of the organizers.

But he also acknowledged that Ansar al-Shariah was not chased from its headquarters, as had been reported. He said the protest organizers had given Ansar al-Shariah a warning to evacuate. “They were friendly,” Mr. Abu Janash said. “We had lunch together.”

Only after the fact did Mr. Abu Janash learn that armed men had led the march several miles away to attack a larger militia known for defending the government. “The march was hijacked,” said Mr. Salabi, the brigade leader, who was wounded in the attack.

The civilian government responded to the outcry by assigning military officers to help oversee the biggest militias. But the brigade leaders said that they, not the government, would choose their new officers, and that the current commanders would not yet give up control. The militia leaders say they refuse to submit to the national army or the police because so many of the officers used to work for Colonel Qaddafi.

“Some fought with us, some fought against us, some stayed in their homes,” Mr. Bin Hamid of Libya Shield said.

“The whole government is infiltrated,” Mr. Salabi said.

Others say egos are also at play. “You have militia commanders who love the prestige, who have more power than they could ever imagine,” said Zeidoun bin Hamid, the director of operations for Libya Shield. “People like the glorification, and it is hard to take it away from them.”

Even Benghazi militias that work with the government are aligned with rival power bases within it, like the defense minister, military chief of staff and the interior minister.

The interim interior minister, Fawzi Abdel Aali, formerly of the Misurata militia, organized a militia with national pretensions, the Supreme Security Committee. But in an interview at its headquarters in Tripoli, a militia spokesman criticized his ostensible boss. “I will be frank,” said the spokesman, Abdel Moneim al-Hur, “He is not doing his job.”

Mr. Hur accused the interior minister of failing to pay the militia’s fighters, who had policed Benghazi, leading them to walk out months ago. And he accused the minister of using the militia as a “pressure group” to squeeze the Parliament by asking its fighters to stop their police work.

As for the militiamen in the luxury hotel, the spokesman noted that the freeloaders and the interior minister were all from Misurata. “He turns a blind eye to what his cousins do,” Mr. Hur said.

Some militias are eagerly rounding up suspected Qaddafi loyalists. A few weeks ago, fighters from Benghazi’s Feb. 17 Brigade detained a dental student, Firas Ali el-Warfalli, whose father had been on one of Colonel Qaddafi’s revolutionary committees. When Mr. Warfalli’s family and fellow students put up billboards calling for his release, an ally of the militia posted to the Internet a recording of a telephone call on which Mr. Warfalli referred to supporters of Colonel Qaddafi’s green flag as “seaweed like us.” A brigade officer confirmed that the recording came from the Intelligence Ministry.

Telephone surveillance in the hands of independent militias suggests a lack of oversight and raises concerns about eavesdropping on political rivals, said Anwar Fekini, a prominent lawyer. “No government that is worthy of being called a government would allow this,” he said. “But we have a government that exists only on paper.”

Suliman Ali Zway contributed reporting.

NYT October 10, 2012

Germany's Central Bank Escalates Dispute Over Bond Buying

By [JACK EWING](#)

FRANKFURT — In what could be interpreted as a subtle escalation of tension among top central bankers in the euro zone, **the German Bundesbank said Tuesday that it welcomed plans by the country's Constitutional Court to determine whether it was legal for the European Central Bank to buy government bonds.**

The euro zone crisis has eased considerably since [Mario Draghi](#), the president of the central bank, announced plans last month to hold down borrowing costs for Spain and other troubled countries by buying their bonds on the open market.

But Jens Weidmann, the president of the Bundesbank, has objected loudly to the bond-buying plan. He was the only member of the E.C.B.'s 23-member Governing Council to oppose the plan, arguing that it would violate a ban on using the central bank to finance governments.

Mr. Weidmann and Mr. Draghi have avoided open conflict. But Mr. Weidmann's outspoken dissent on bond buying and other issues appears to have become an increasing annoyance to the E.C.B. president.

Germany's Federal Constitutional Court said last month that it would consider the legality of bond buying as part of a larger suit brought by citizens and some euro-skeptic members of the German Parliament. The suit challenges Germany's participation in the euro zone rescue fund.

In an initial ruling, the court refused to block Germany's participation in the rescue measures. But it has not ruled on the underlying constitutional issues raised by the suit.

The Bundesbank, while emphasizing that it did not ask for a ruling on bond buying, said Wednesday that it would welcome clarity. It was the first time the German central bank had commented publicly on the issue.

"The German Bundesbank would welcome examination by the Federal Constitutional Court of open legal questions in relation to the prohibition of monetary financing of governments," the central bank said.

The Bundesbank added that it "currently does not consider any further steps to be called for."

The E.C.B. declined to comment.

The central bank has yet to deploy the new bond-buying program. Countries must ask for help and agree to conditions that would be monitored by other euro zone countries and the International Monetary Fund.

Spain, the country most threatened by rising borrowing costs, has delayed requesting assistance, which would be a blow to national pride and submit the country to outside supervision.

So far, the E.C.B.'s declaration that it would buy bonds in unlimited amounts to control interest rates has been enough to calm markets. But some analysts wonder how long the calm will last.

Jens Weidmann, le poil à gratter du patron de la BCE

Par [Thibaut Madelin](#) | 03/09 | 07:00

Le président de la Bundesbank est le principal opposant au programme de rachat d'obligations défendu par Mario Draghi, le patron de la Banque centrale européenne.



Jens Weidmann, président de la Bundesbank. - AFP/ERIC PIERMONT

A-t-il menacé de démissionner en raison de son opposition au programme de rachat d'obligations d'Etats de la Banque centrale européenne, comme l'écrivait vendredi « Bild » ? Jens Weidmann, le président de la Bundesbank, n'a pas commenté, donnant libre cours à cette rumeur diffusée par le quotidien populaire, qui voit en lui le dernier « rempart devant le contribuable allemand » menacé par les initiatives de Mario Draghi, le président la BCE.

Depuis son arrivée à la tête de la Buba, début 2011, le banquier central de quarante-quatre ans a imposé son indépendance aussi bien vis-à-vis d'Angela Merkel, dont il était auparavant le plus proche conseiller, que de la BCE, dont il est l'un des gouverneurs. Lors de sa nomination, la presse allemande mettait pourtant en garde contre ce choix. « *L'indépendance de la Banque centrale n'a jamais été aussi menacée que depuis le sauvetage de l'euro, s'inquiétait la « FAZ ». La proximité avec le gouvernement est délicate.* » Quant au « Handelsblatt », il caricaturait la chancelière allemande en matrone déposant la petite marionnette de Jens Weidmann au sommet d'une maquette de la Bundesbank.

En dix-huit mois, cet économiste orthodoxe, qui a fait une partie de ses études à Aix-en-Provence et un stage à la Banque de France, est devenu plus royaliste que le roi. La semaine dernière, il s'est distingué en assimilant la politique de la BCE à « *un financement des Etats par la planche à billets* », qui risque de faire l'effet d'une « *drogue* » pouvant rendre les Etats « *accros* ». Si sa position semble minoritaire au sein de la BCE, elle est très populaire en Allemagne, où la Bundesbank jouit d'un prestige unique en Europe. « *Tous les Allemands ne croient pas en Dieu, mais tous croient en la Bundesbank* », disait Jacques Delors. Après Axel Weber, qui fut l'un de ses professeurs, ou Jurgen Stark, Jens Weidmann ne serait pas le premier banquier central à démissionner outre-Rhin. Mais il perdrait son influence. « *La meilleure façon de faire mon devoir est de rester à mon poste* », confiait-il la semaine dernière au « Spiegel ».

CORRESPONDANT À BERLIN

Thibaut Madelin,

Peace is a prize, but it was not won by the EU

The single gravest danger to peace in Europe is arguably the European project itself



The EU's crumbling currency union is provoking riots in Spain, demonstrations in Italy and the rise of far-Right movements in Greece
Photo: Getty Images

By [Telegraph View](#)

8:11PM BST 12 Oct 2012

Awarding the Nobel Peace Prize to the European Union prompts, above all, one question: is it too late for Alfred Nobel's heirs to ask for their money back? With the commendation first of Al Gore, and then a neophyte Barack Obama, the prize committee was generally agreed to have made a colossal fool of itself. **But yesterday's announcement transcended the critics' wildest dreams. To take this decision seriously would be to give the Nobel committee a status that, many would argue, it no longer deserves. Indeed, the greatest service it has done is not to diplomacy, but to comedy. How delicious to witness the parade of Eurocrats shutting their ears to the cacophonous mockery yesterday, as they modestly expressed their surprise and pleasure. And what bliss to imagine the same self-important dignitaries trotting up to the podium on December 10: Herman Van Rompuy, José Manuel Barroso, Martin Schulz (the president of the European Parliament, for any non-members of the Schulz family) or perhaps even, if the gods are very kind indeed, Baroness Ashton. If one could only harness the sheer self-regard that will be exuded as they mouth their pious platitudes, the Continent's energy crisis would be over at a stroke.**

Yet at the same time, the committee has – entirely accidentally – put its finger on the EU's great flaw, one that threatens to undo just those accomplishments for which it is being lauded. **It is the extent to which the union, and the European project more generally, is not a matter for discussion, but sanctification.** Anything that promotes closer union is seen as wise and just, even if it does terrible harm. Criticism is dismissed not simply as unfair, but actively malign – intended, according to the depressingly common rhetoric, to pull Europe back into the darkness of the 1940s.

In contrast to the EU's harshest critics, we do not see it as an entirely benighted institution. In concert with America, with Nato, with the constellation of Western values and accomplishments, it helped pull the Continent together after the Second World War, and provided a model of a better life for the captive peoples of Eastern Europe. The carrot of membership helped bring democracy to Spain, Greece and Portugal, and later to the former Soviet bloc. Much of Turkey's recent liberalisation results from its attempts to comply with European standards, even if the Continent (with Britain an honourable exception) has, largely, met such efforts with suspicion and scorn.

Yet to give the EU the lion's share of credit for this process is worryingly short-sighted. Indeed, in recent years, **as its transmogrification into a superstate has quickened, it has done as much to sow discord as to bring peace.** The Nobel committee's citation explicitly referred to its work in Yugoslavia. Yet Europe largely wrung its hands on the sidelines, until the US ended the bloodshed and forced a peace, as it later did in

Kosovo. More recently, in **Libya, it was Britain and France, not Brussels and Baroness Ashton, who acted as liberators – again with America’s support.** And domestically, Brussels has recently demonstrated an alarming willingness to dispense with elected leaders in order to rescue the disastrous project of monetary union, immiserating many millions in the process.

Yes, Europe has been transformed over the past half-century – in the committee’s words – from a continent of war to a continent of peace. **But that came about largely through the establishment of trade links, the free movement of people, the knitting together of an economic union rather than a cultural one.** The irony of yesterday’s announcement is that the single gravest danger to that peace – provoking riots in Spain, demonstrations in Italy, the rise of far-Right movements in Greece – is arguably the European project itself, as it exhausts the Continent’s treasuries to prop up a crumbling currency union.

The good news is that there is still time for Europe to pull itself out of this grim spiral, to rediscover and reaffirm the shared freedom and shared prosperity that made it such a beacon to the impoverished or imprisoned nations on its borders. If it can do that, it might even deserve such a prize. As it stands, this bauble feels more like a decoration for the headstone of a once noble ideal.

Let's dedicate the EU's Nobel peace prize to Europe's sexual revolution

The long-term effects of the EU's student exchange programme are still to be felt – Erasmus has bonded the continent's youth

- [Philip Oltermann](#)
- [guardian.co.uk](#), Saturday 13 October 2012 09.00 BST
- [Jump to comments \(144\)](#)

One criticism of the Nobel prize committee's decision to [award the prize to the EU](#) I have heard is that is a little bit like a lifetime achievement Oscar: at least 20 years too late, and only really brought about by the imminent death of the recipient. Other than the British centre-right press, which thinks the committee's decision is "[beyond parody](#)" and a "[late April fools joke](#)", that is the line in most of the European mainstream media.

That critique sounds sensible, but personally I think it's nonsense. The consensus now may be to see the Nobel as an award for the achievements of the past, but there are much stronger reasons to see it – as with Obama in 2009 – as an award for the potential of the future. If I had one word to explain why, it'd be this: Erasmus.

Erasmus is a European Union exchange programme established in 1987, which is widely popular on the continent but barely mentioned in the business sections that lead the way on European coverage in the UK. [More than 2.5 million students from across Europe have taken part in it since its inception](#). The UK is one of the most popular destinations, but one of the less active participants, considering its size: in the 2009/10 academic year, [the UK received 22,650 foreign students under the Erasmus exchange scheme, while sending abroad only 11,723](#).

There are spades of people who have gone on these schemes and never come back. Germans who fell in love with Spaniards, Greek women who ended up marrying Frenchmen, Poles who have kids with Portuguese mothers. The Italian novelist Umberto Eco last year said that "[Erasmus has created the first generation of young Europeans](#)." He describes it as "a sexual revolution: a young Catalan man meets a Flemish girl – they fall in love, they get married and they become European, as do their children."

Personally, I can't imagine that these parents and their children would be able to listen to a nationalist rabble-rouser calling for war and just listen in silence. They would speak up. What's more important: some of them are likely to become leading figures in the media, in business and in politics over the next 20 years, and they will increasingly think outside national boundaries. If the eurozone crisis can be overcome – and that's a serious if – then there are good chances that it will be followed by a period of peace so prolonged that the last 67 years will look short by comparison.

British EU-sceptics will say that all that cross-country lovemaking was brought about not by stuffy EU bureaucrats, but free trade between nation states. But who has ever fallen in love in a business meeting? The beauty of a scheme like Erasmus is that it has enabled meetings between young people before they start to think about such encounters purely as the means to an exchange of capital, before they slip on the cold mask of commerce. And at any rate, who's to say that a prize shouldn't be romantic? If you really believe that nothing guarantees intercultural harmony as effectively as free trade, then you [might as well hand the Nobel peace prize to Ronald McDonald](#). That would really inspire the continent.

Manuel Barroso, the European commission president, has so far declined to confirm how the prize money will be spent. As [Spain is slashing its contribution to the Erasmus scheme for lack of funds](#), using the €923,680 to extend the scheme – not just to students, but also to "taxi drivers, plumbers and other workers", as Eco has suggested – would at last send out the right signal from Brussels.

A Nobel peace prize for Europe's sexual union – now that's something we could all get genuinely excited about.

Guest Post: The Problem With Centralization



ZeroHedge Submitted by [Tyler Durden](#) on 10/13/2012 16:59 -0400

Submitted by John Aziz of [Azizonomics](#)

The Problem With Centralisation

Nassim Taleb slams the European project. Perfect timing to [counteract the Nobel Peace Prize](#) nonsense.

[Via Foreign Policy](#):

The European Union is a horrible, stupid project. The idea that unification would create an economy that could compete with China and be more like the United States is pure garbage. **What ruined China, throughout history, is the top-down state.** What made Europe great was the diversity: political and economic. Having the same currency, the euro, was a terrible idea. It encouraged everyone to borrow to the hilt.

The most stable country in the history of mankind, and probably the most boring, by the way, is Switzerland. It's not even a city-state environment; it's a municipal state. **Most decisions are made at the local level, which allows for distributed errors that don't adversely affect the wider system.** Meanwhile, people want a united Europe, more alignment, and look at the problems. The solution is right in the middle of Europe — Switzerland. It's not united! It doesn't have a Brussels! It doesn't need one.

The future is unpredictable. In economics some decisions will lead to desired results and others will not. Real-world outcomes are ultimately impossible to predict, because the real world is chaotic and no simulation can ever model the real world in precise detail; the map is not the territory.

Centralisation concentrates decision-making. Centralisation acts as a transmission mechanism to transmit and amplify the effects of centralised decisions throughout a system. This means that when bad decisions are bad — as inevitably happens in economics — the entire system will be damaged. Under a decentralised system, there is no such problem. Under a decentralised heterogeneous system, mistakes are not so easily transmitted or amplified. Centralisation is fragile.

And central planning is mistake-prone. Central planners are uniquely ineffective as resource allocators. Free markets transmit information; the true underlying state of supply and demand. Without an open market to transmit price information, central planners cannot allocate resources according to the true state of supply and demand. Capital, time, and labour are allocated based on the central planner's preferences, rather than the preferences of the wider society.

These two factors taken together mean that centralised systems tend to be both fragile and mistake-prone. That is a dangerous — and unsustainable — combination.

Argentina's sovereign debt

A matter of time

The Economist Oct 14th 2012, 7:13 by H.C. | BUENOS AIRES

WHEN Argentina proposed a brutal 65% haircut to holders of its defaulted sovereign bonds in a 2005 restructuring, one argument the country's officials used to justify the offer was that the country could not take on more debt than it could reasonably expect to pay. As painful as the loss might be, the argument went, at least the new bonds the government would issue would be creditworthy.

Just seven years later, that claim now looks harder to support. This month the impoverished northern province of Chaco was unable to pay \$263,000 of interest, after Argentina's Central Bank refused to sell it the necessary dollars. That forced the province to announce it would compensate its creditors in pesos, converting the amount owed at the official exchange rate, which is roughly 25% less than the currency's value on the black market. It was the first time an arm of the Argentine government had failed to deliver a debt payment in full since the country's massive 2001 default.

Is Chaco's technical default a canary in the coal mine for Argentine debt in general, or merely an isolated nuisance? In the short run, most bondholders can stay calm. Although the Chaco paper is denominated in dollars, it is governed by Argentine law, which allows borrowers to settle their obligations in local currency. Ever since the Central Bank clamped down on the foreign-exchange market last year in an effort to slow capital flight, its official policy has been that local issuers can only buy dollars to fund infrastructure projects.

But just \$191m of provincial debt is governed by local law and thus subject to this requirement. Only two other provinces have Argentine-law bonds outstanding, and one of them, Tucumán, has already reassured the public that it plans to continue meeting its liabilities in dollars. The vast majority of provincial debt--around \$7 billion--is subject to British or New York law. So far, those securities have not been affected by Argentina's dollar shortage. The Central Bank has \$45 billion in reserves, 14 times what the federal government owes to creditors in 2013.

That said, Argentina's medium-term debt picture looks increasingly cloudy. Including provinces and municipalities, the public sector is in deficit even before counting interest payments. There is virtually no chance of retrenchment under the government of Cristina Fernández de Kirchner, whose popularity depends on ever-greater public spending. The overall public debt stock is still relatively low. **But because investors demand prohibitive interest rates to lend to a government seen as unpredictable and anti-markets, Argentina cannot refinance its obligations as they mature, and must pay the full principal out of tax revenues or central-bank reserves.** And although the economy is likely to recover modestly next year after flatlining in 2012, **it receives little private-sector investment. That means there is little chance it will expand fast enough for the government's revenues to outgrow its liabilities.**

The bond markets are well aware of all these warning signs. When the Chaco news broke, the federal government's dollar-denominated bonds promptly sold off by 2%. Savvy investors who recognise Argentina's capacity to pay for now but have doubts about its trajectory might consider buying the country's debt that matures in the near future while selling its longer-dated issues.

EADS-BAE et le provincialisme de Mme Merkel

LE MONDE | 11.10.2012 à 15h21

Par Editorial



L'[Allemagne](#) est la première puissance industrielle d'[Europe](#). Personne n'en doute. Cela ne l'autorise pas, pour autant, à [torpiller](#) comme elle l'a fait le projet de fusion entre le géant de l'aéronautique EADS (Airbus, Eurocopter, Ariane, etc.) et le groupe britannique de [défense](#) BAerospace.

Ce projet ambitieux et complexe, porté par le président d'EADS, l'Allemand [Thomas Enders](#), devait [permettre](#) aux Européens de [faire](#) jeu égal avec Boeing et d'accéder, via BAE, aux commandes militaires américaines du Pentagone. Les [points de vue](#) s'étaient rapprochés, Paris et Londres s'entendant finalement sur la part de l'Etat français et de ses alliés dans le nouvel ensemble.

La négociation a échoué à cause du "nein" d'[Angela Merkel](#). Un non sans l'explication qui aurait permis d'[engager](#) une négociation sérieuse. Les dirigeants d'EADS ont compris que la chancelière ne voulait pas du projet lorsqu'elle a exigé que l'Allemagne héberge un siège [social](#) du nouvel ensemble.

Il était prévu que les activités d'Airbus se concentrent à Toulouse et celles de défense en Angleterre. L'Allemagne, en particulier la région de Munich, qui abrite les activités militaires d'Airbus, allait donc être le principal pays à [souffrir](#) des restructurations. Cette perspective était inacceptable pour la chancelière, confrontée à l'automne 2013 à un double scrutin, les élections générales au Bundestag et les élections régionales en Bavière, qui s'annoncent délicates pour ses alliés de la CSU.

En réalité, la réticence germanique est plus diffuse, mais, hélas, plus profonde. D'une part, l'Allemagne, pacifiste - qui n'a pas voulu se [joindre](#) à l'expédition franco-anglaise en [Libye](#) -, est mal à l'aise à l'idée de [constituer](#) un leader mondial de l'[industrie](#) militaire.

D'autre part, l'Allemagne, qui refuse toute alliance lorsqu'elle est dominante, exige la parité lorsqu'elle est moins performante. En 1999, le chancelier [Gerhard Schröder](#) avait obtenu dans EADS une part supérieure aux mérites de ses industriels, concession française pour que l'accord puisse être scellé. L'entrée de Londres dans le jeu l'aurait remise au niveau qui est le sien, ce que Berlin a refusé.

Cette attitude révèle une double duplicité chez Angela Merkel. Elle prône sans cesse l'Europe [politique](#) à long terme, mais refuse toute avancée concrète, comme en témoignent son refus de l'Europe de la défense ou ses exigences sur l'union bancaire en Europe, où elle souhaite que la BCE contrôle toutes les banques de la zone euro sauf les... allemandes.

La chancelière exige ensuite de ses partenaires européens des réformes douloureuses et l'application des recettes de l'"Ordnungspolitik" : sois compétitif, et tu attireras les [entreprises](#). Mais lorsque la division du travail européenne induite par cette règle s'avère soudain défavorable à son pays, Berlin demande la suspension de la règle du jeu, comme dans l'affaire EADS-BAE.

Sur ce dossier, la chancelière s'est donc montrée politiquement provinciale et industriellement impérialiste. C'est un comportement qui n'est pas à la hauteur de l'Allemagne. Encore moins de l'Europe.

L'Allemagne affiche désormais la population la plus âgée d'Europe

LE MONDE | 11.10.2012 à 14h43 • Mis à jour le 12.10.2012 à 15h55

Par Frédéric Lemaître

Parmi toutes les données sur l'**Allemagne** publiées, mercredi 10 octobre, par Destatis, l'institut allemand de statistiques, son président, Roderich Egeler, s'est focalisé sur un seul point : **le vieillissement de la population**. Avec seulement 13,5 % de la **population** âgée de moins de 15 ans et à l'autre bout du spectre 20,4 % des 81,8 millions d'Allemands âgés de plus de 65 ans, "nous sommes les plus vieux en **Europe**", a-t-il souligné. Parmi les grands pays du monde, seul le **Japon** fait pire.

Le phénomène n'est pas nouveau : depuis les années 1970, le taux de fécondité (nombre d'enfants par femme en âge de procréer) est d'environ 1,4 alors qu'il faut **parvenir** à 2,1 pour **assurer** le renouvellement des générations. En 2011, 663 000 enfants seulement sont nés, 15 000 de moins qu'en 2010. Huit enfants naissent chaque année en Allemagne pour 1 000 habitants, le taux le plus bas au monde, selon Destatis. En revanche, l'espérance de vie augmente. D'ores et déjà, 20 % des Allemandes décèdent à plus de 90 ans.

Selon les responsables de Destatis, l'immigration peut **ralentir** le phénomène mais pas le **renverser**. En 2010, 798 000 personnes, âgées en moyenne de 31,7 ans, se sont installées en Allemagne. Mais, dans le même temps, 671 000 personnes (âgées de 34,9 ans en moyenne) l'ont quittée.

Ce vieillissement de la population a des conséquences. Aujourd'hui, l'Allemagne compte 2,3 millions de personnes dépendantes de plus de 75 ans et ce chiffre devrait **passer** à 3,4 millions en 2030. On se marie plus tard, on divorce plus tard (12 % des divorces ont lieu après au moins vingt-six ans de mariage).

RETRAITE TRÈS MODESTE

Les familles traditionnelles avec enfant ne représentent plus que 29 % des ménages, bien moins que les célibataires (43 %). Il y a quinze ans, les deux catégories étaient quasiment équivalentes (35 % et 38 %). 75 % des enfants vivent dans un foyer où les parents sont mariés. Dans 8 % des cas, les parents vivent maritalement et 17 % sont élevés dans une **famille** monoparentale. Enfin, 7 000 enfants vivent dans un foyer où les deux parents sont de même sexe.

Cette situation démographique explique en grande partie la **politique** économique de l'Allemagne. **Reporter** les dettes sur les générations futures est encore plus délicat dans un pays qui devrait **perdre** 17 millions d'habitants d'ici à 2060. La chancelière Angela Merkel ne cesse de **rappeler** que, lorsque la République fédérale d'Allemagne a été créée, les Européens représentaient 20% de la population mondiale. Aujourd'hui, c'est à peine 7%.

La situation des Allemands est pire : dans les dix ans à **venir**, le nombre d'écoliers va **diminuer** de 30 %. Le poids démographique du pays ne cesse de **diminuer**. D'où la nécessité, pour l'Allemagne, de **consolider l'Union européenne**.

Pour **tenter d'apporter** des solutions, le gouvernement a organisé le 4 octobre un premier sommet de la démographie auquel a participé la chancelière. Mais celui-ci n'a débouché que sur la mise en place de sept groupes de travail thématiques qui rendront leurs conclusions lors d'un deuxième sommet, au printemps 2013.

Alors que les caisses de retraite et d'assurance-maladie sont excédentaires – elles disposent même d'une cagnotte d'une vingtaine de milliards d'euros – et que le recul progressif de l'âge de la retraite à 67 ans est acté, la question principale est sociale. En raison de la précarité de nombreux emplois, beaucoup de retraités risquent de **percevoir** une retraite très modeste.

Pour [tenter](#) d'[inciter](#) les Allemands à [avoir](#) plus d'enfants, le gouvernement pousse les villes et les Etats-régions à [ouvrir](#) des crèches. Mais ces lieux d'accueil manquent souvent de personnel formé et nombre de couples allemands restent réticents à l'idée d'[envoyer](#) leurs enfants dans une structure collective avant l'âge de six ans.

Frédéric Lemaître

Griechenland

Nicht zu retten

FAS 13.10.2012 · IWF-Chefin Lagarde will Griechenland mehr Zeit geben. Dass dafür ein drittes griechisches Milliardenpaket nötig wird, sagt sie nicht. Wenn es wenigstens hülfe!

Von [Rainer Hank](#)



© AFP Christine Lagarde

Zeit ist Geld. Selten war dieses Diktum so wahr wie im Munde von Christine Lagarde. „[Es ist besser, etwas mehr Zeit zu geben](#)“, sagte die IWF-Chefin am vergangenen Donnerstag in Tokio und meinte dabei die Griechen und deren Spar- und Reformanstrengungen, die zeitlich gestreckt werden sollten.

Was Frau Lagarde zu erwähnen vergaß: Zeit kostet. Mit ungefähr 20 Milliarden Euro zusätzlich, so schätzt die EU, wird der Aufschub bei den Rettern zu Buche schlagen. Hinzu kommen weitere zehn Milliarden, mit denen ein aktuelles griechisches Haushaltsloch gestopft werden muss. Summa summarum ergibt das ein drittes griechisches Milliardenpaket, das zu den schon bewilligten rund 240 Milliarden Euro addiert werden muss.

Sage niemand, dazu werde es nicht kommen. Vor allem Finanzminister Wolfgang Schäuble sollte seiner Freundin Christine nicht so vollmundig [Kontra geben](#). Denn Schäuble hat früher schon mehrfach - auch in Interviews mit der F.A.Z. - gewettet, die Kredite würden definitiv auslaufen. Die Wette hat er verloren und nun, zurückhaltend gesprochen, ein gewisses Glaubwürdigkeitsproblem. Zumal Kanzlerin Angela Merkel längst diplomatisch das Feld dafür vorbereitet, das Austeritätsregime zu strecken und, damit zwingend verbunden, die Hilfen aufzustocken.

Griechenland zeigt: Wir vergeben Kredite, obwohl wir wissen, dass sie nicht zurückgezahlt werden

Was sollen die Politiker auch anderes tun, als Zeit und Geld nachzuschießen, nachdem sie einander versprochen haben, Griechenland im Euroraum zu halten. Koste es, was es wolle, heißt dann die Konsequenz: Es ist eine Art Blankoscheck für die Nehmer, sich ihre Unterstützungsleistungen wahlweise bei den Hilfsfonds oder der Europäischen Zentralbank zu besorgen. Noch nicht einmal die bislang üblichen Erpresserbriefe an die Gläubiger sind künftig nötig.

Wenn es wenigstens hülfe! Doch die Fachleute glauben nichts davon. An dieser Skepsis ändert sich auch dann nichts, wenn kommende Woche die Troika den Griechen viel guten Willen und etliche Fortschritte attestieren sollte. „Wir vermuten, dass Griechenland nicht zu retten ist“, taten die deutschen Wirtschaftsforschungsinstitute vergangene Woche in ihrem Herbstgutachten unisono kund. Das heißt: Griechenland wird seine Schulden nimmer zurückzahlen können. Das Ziel, bis zum Jahr 2020 die Last auf 120 Prozent des Bruttoinlandsprodukts zu drücken (Maastricht erlaubt 60 Prozent!), rückt - trotz Schuldenschnitt - zum Sankt-Nimmerleins-Tag. Schon ist von einem zweiten „Haircut“ die Rede, bei dem nun auch die öffentlichen Gläubiger (vulgo: die Steuerzahler) herangezogen werden sollen. Darauf läuft auch der Vorschlag von EZB-Mann Jörg Asmussen hinaus, der den Griechen Geld leihen will, damit sie ihre eigenen Anleihen zum Ramschkurs zurückkaufen können. Stets vergeben wir Kredite, von denen wir von Anfang an wissen, dass sie nicht zurückgezahlt werden

können, weswegen ständig neu umgeschuldet werden muss. Ein Perpetuum mobile der Insolvenzverschleppung.

„Heute ist Krieg zwischen Deutschland und Frankreich undenkbar“, schreibt das Nobel-Komitee in der Begründung für den [Friedensnobelpreis an Europa](#). Genau das ist der Grund, warum Europa heute sich die fiskalische Insolvenz eines Mitgliedslandes leisten kann. Stattdessen „alternativlos“ an der Währungsunion mit allen festzuhalten und, schlimmer noch, aus der Krise des Euro die Notwendigkeit weiterer Vergemeinschaftung abzuleiten befördert die Kräfte der Desintegration. Aufruhr und Tendenzen der Separation (von Griechenland über Katalonien bis Südtirol) sind nicht zu überhören. Wer das friedliche Europa erhalten will, wird die Staatsinsolvenz (mit oder ohne Austritt aus dem Euro) nicht verteufeln dürfen. Der Eurogipfel kommende Woche in Brüssel gäbe Gelegenheit, darüber zu reden.

Wie ich den „Turm“ sah

Filmreise in die eigene Vergangenheit

FAS 13.10.2012 · Jüngst wurde im Fernsehen die Verfilmung von Uwe Tellkamps Roman „Der Turm“ ausgestrahlt. Anke Domscheit-Berg erzählt, was sie beim Zuschauen bewegte - und was sie durchlitt.

Von Anke Domscheit-Berg



© MDR/teamWorx/Nik Konietzny Ein Virtuose in der Überredung zur Selbstzensur: Verlagslektor Meno Rohde (Götz Schubert)

In hundertachtzig Minuten schafft „Der Turm“ das Unmögliche: eine Vorstellung davon zu vermitteln, was wir im Osten erlebt haben vor und während der Wende, aber vor allem auch, wie es sich angefühlt hat. Ein Film schafft etwas Besonderes, wenn er Emotionen weckt und darüber hinaus eine Beziehung ermöglicht zum eigenen Erfahrungshorizont und zum kollektiven Gedächtnis. Bei „Der Turm“ habe ich das so intensiv erlebt, dass ich nicht nur einen Film am Bildschirm sah, sondern auch parallel viele andere Filme in meinem Kopfkino. Das war emotional so anstrengend, dass ich nach dem zweiten Teil vom wieder ausgeschütteten Adrenalin, vom Wechselbad aus Tränen und Glücksgefühlen völlig erschöpft war.

Nervöses Warten auf den Anruf aus dem Westen

Die lähmende Ohnmacht war plötzlich wieder da, die Resignation und Hoffnungslosigkeit, wenn die Spitzel es nicht mal mehr für nötig hielten, ihre Tätigkeiten zu verberge, und Briefe im Studentenwohnheim einfach offen in das Postfach legten. Das Empfinden der ständigen Beobachtung, das allgegenwärtige Misstrauen - wir haben damals bei jedem Knacken in der Telefonleitung damit gerechnet, dass Dritte mithörten. Die Trauer und Sorge waren auch wieder da, wenn Freunde oder Verwandte wie mein Bruder ausgereist sind und man nicht sicher war, ob man sich jemals wiedersieht. Das nervöse Warten auf den angemeldeten Anruf aus dem Westen, für den man sich tagelang nicht aus dem Haus, ja nicht einmal auf die Toilette traute, nur um das eine Klingeln nicht zu verpassen, das so oft dann gar nicht kam.

Es gab so viele Parallelen in diesem Film zu meinem eigenen Leben, was ich gleichzeitig wunderbar und irritierend fand. Mein Vater war auch Arzt. Ein Landarzt, kein Chirurg, aber auch in leitender Position im

Landambulatorium. Wie der von Jan Josef Liefers gespielte Chirurg Richard Hoffmann war mein Vater ein Kriegskind. Hoffmann hatte Dresden brennen sehen, mein Vater Königsberg in Ostpreußen. Beide haben durch den Sozialismus Chancen bekommen, die es in der Zeit vor dem Sozialismus für sie nicht gab. Hoffmann und mein Vater besuchten die Arbeiter-und-Bauern-Fakultät, um Abitur zu machen. Nur dadurch konnten beide Medizin studieren, und deshalb empfanden beide ein Gefühl der Dankbarkeit und Verpflichtung gegenüber dem Staat, einem Staat, der besser sein wollte als andere, der den Anspruch hatte, ein gutes, solidarisches Gesellschaftssystem aufzubauen.

Richard Hoffmann glaubt daran. Mit neunzehn Jahren will er helfen, dieses neue junge Land gegen seine „inneren Feinde“ zu verteidigen. Er unterschreibt eine Verpflichtungserklärung für die Staatssicherheit, er schreibt Berichte über Kommilitonen. Mein Vater hat sich zwar von der Stasi fernhalten können, aber als junger Mann wollte auch er einen Beitrag zum Aufbau leisten, wurde Mitglied der SED und für über zehn Jahre Arzt beim Militär.

Paralleles Kopfkino spielt im Sommer 1989

Wie bei Hoffmann kühlte bei meinem Vater die Begeisterung über die Jahre ab, wich einer Ernüchterung und der desillusionierenden Erkenntnis, dass die großen Visionen der Nachkriegszeit mit dem grauen Realsozialismus wenig zu tun hatten. So wie sich das Ehepaar Hoffmann darüber Gedanken macht, wie es sich politisch wenigstens so unauffällig verhalten könnte, dass es die Zulassung des Sohnes Christian zu Abitur und Studium nicht gefährdet, so war es auch Thema bei uns, dass Töchterchen Anke - also ich - Abitur machen möchte und dieser Umstand eine gewisse Vorsicht aller erfordert. Ist das schon Opportunismus? Ist es Feigheit?

Mein Vater, angetrieben von einem radikalen Gerechtigkeits Sinn, riskierte immer wieder eine dicke Lippe in der Partesssi, schrieb trotz drei Monaten Parteischule, in denen er seinen Klassenstandpunkt zuverlässiger ausbilden sollte, in den Jahren danach Beschwerden an die Obrigkeit, wenn er etwa die Unterbringung alter Menschen im örtlichen Pflegeheim unwürdig fand, und empörte sich bei der Parteileitung, als der rumänische Diktator Ceausescu den Karl-Marx-Orden erhielt. Später wollte er unauffällig aus der SED austreten, indem er monatelang seinen Beitrag nicht bezahlte. Aber eine Bürokrant im Rathaus passte irgendwann meine Mutter ab, gestand, dass sie heimlich die Beiträge ausgelegt hätte und dass es jetzt aber langsam zu viel würde und dass es doch besser wäre, sie zahlte das jetzt schnell, denn „Anke will doch auf die Erweiterte Oberschule“. Natürlich hat meine Mutter bezahlt, natürlich bekam mein Vater von ihr Vorwürfe, wie er die Zukunft seiner Tochter gefährden könne. So war das damals, genau wie es „Der Turm“ erzählt.

Wie Christian hat sich auch mein Bruder „freiwillig“ verpflichtet, um studieren zu dürfen. Beide erleben die Erniedrigung durch Vorgesetzte und andere Soldaten bei einem Militärdienst, in dem Beleidigungen und Schikane normal und alltäglich waren.

Mein Puls steigt, als die Staatssicherheit Richard Hoffmann Jahrzehnte nach seiner Verpflichtungserklärung abfängt, ins Auto setzt und zur neuerlichen Mitarbeit erpressen will. Sie winken mit dem Studienplatz für den Sohn und mit dem Leitungsposten in der Klinik und drohen gleichzeitig mit ihrer Intervention, wenn die Mitarbeit verweigert wird. Mein paralleles Kopfkino bei diesen Szenen spielt im Sommer 1989, nachdem ich den Französisch-Wettbewerb einer Pariser Kunsthochschule gewonnen hatte. Der Preis: drei Monate Paris-Stipendium, mit Atelierbesuchen, Kunstschule, Übernahme aller Kosten. Nur DDR-Bürger haben wohl eine Vorstellung davon, was vor dem Mauerfall eine drei Monate währende Reise nach Paris bedeutete. Da ist der Zauber von 1001 Nacht ein schwacher Abglanz. Meine Vorfreude war grenzenlos! Bis ich einen fingierten Brief bekam, mit dem mich die FDJ-Kreisverwaltung nach Aue lockte, wo man mich mit einem trockenen „Tut uns leid, wir wollen gar nichts von dir, aber die da“ in ein Büro schob, in dem die Stasi schon auf mich wartete.

Das Gefühl, von einem sehr hohen Berg in die Tiefe zu stürzen

Sie wollten von mir das Gleiche wie im Film von Richard Hoffmann - ich sollte IM werden und mein Umfeld aushorchen. Wie Hoffmann erschrecken sie mich mit Detailwissen aus meinem Privat- und Familienleben. Mein Vater werde ja als Arzt vom Staat bezahlt, ob das nicht zu Dankbarkeit verpflichte und ob ich mir klar sei, dass er genauso gut diesen Job verlieren könne, und ob mir auch bewusst sei, dass damit ja das ganze Familieneinkommen wegbreche, und ob ich auf meine Kappe nehmen wolle, dass dann die ganze Familie ohne

Geld dastehe? In mir wuchs die Empörung, und in meinen Augen lag damals bestimmt die gleiche Mischung aus Abscheu und Entsetzen wie in der Mimik von Richard Hoffmann, den Jan Josef Liefers meisterhaft spielt.

Aber die „Firma“ setzte noch eins drauf. Ob ich denn nicht gern nach Paris möchte und ob ich denn nicht wüsste, dass kein DDR-Bürger das Land Richtung Westen verlässt, ohne die Stasi zu unterstützen? Bluff oder Wahrheit? Ich weiß es nicht. Beim Filmgucken ist es jedenfalls wieder da, das damalige Gefühl, von einem sehr, sehr hohen Berg in die Tiefe zu stürzen. Eben noch der Eiffelturm und ein Paris in allen Farben dieser Welt greifbar nah und dann der freie Fall, ins Schwarze und Dunkle hinein. Eine harte Landung nach dem Flug der Phantasie, gelandet wieder in einem Gefängnis, das DDR heißt und dessen versperrte Türen von der Stasi bewacht werden.

Mein „Nein“ lehnen sie ab, genau wie bei Hoffmann. Sie zwingen mich, am nächsten Tag zu einem Treffpunkt zu kommen, einem kleinen Parkplatz unweit der Studentenwohnheime, umgeben von Bäumen. Ich will mein „Nein“ wiederholen, aber der Mann von der Stasi, dessen Namen ich bis heute nicht kenne, zerrt mich ins Auto und fährt irgendwohin, ich weiß nicht, wohin. In irgendeinem Wald stehen wir ein oder zwei Stunden, unser kleiner Dialog wiederholt sich gefühlte hundert Mal. Die Stasi lässt sich nicht so leicht abschütteln. Mit einem ihrer Vasallen allein an einem unbekanntem Ort, von dem keiner weiß, dass man dort ist, fühlt man nackte Angst. 22 Jahre nach diesem Vorfall schaue ich „Der Turm“, bekomme eiskalte Hände und fange wieder an zu zittern, genau wie damals.

Die Seele des Ostens besser begreifen

Hoffmann sah seine ganze bisherige Existenz auf dem Spiel stehen, seine Karriere, die seines Sohnes, die Ehe mit seiner Frau - eine Spielfigur, mit der die Stasi eine perfide Form von „Mensch ärgere Dich nicht“ spielen kann: „Und du bist raus - wenn wir das wollen.“ Jemand sagt im Film: „Man hat immer eine Wahl, man kann immer auch nein sagen.“

Wer weiß denn schon genau, wo die eigene Schwelle zum Heldentum liegt und wo der Opportunismus anfängt? Ich kann mir vorstellen, dass Menschen damals in Situationen kamen, die auch für die meisten von uns ein Dilemma darstellen würden und in denen man nur verlieren konnte. Eine Wahl zwischen Pest und Cholera. Dennoch ist es wahr, man konnte immer auch nein sagen, wie es im Film einmal heißt. Ich blieb zum Glück standhaft und durfte folgerichtig auch nicht nach Paris fahren. Aber wenigstens hat mein Vater seine Arbeit behalten. Genau wie im Film konnte man wohl nicht auf den Arzt im Ort verzichten, zu viele Ärzte hatten der DDR schon den Rücken in Richtung Westen gekehrt. Vielleicht hatte aber auch, wie schon öfter zuvor, der Bürgermeister seine schützende Hand über ihn gehalten.

Ich bin dem Autor des „Turms“ und den Filmemachern, die diesen Roman so beeindruckend lebendig verfilmten, sehr dankbar für diese aufrührende Reise in die Vergangenheit - die unseres Landes und meine eigene. Wer ihn verpasst hat, sollte das nachholen. Für Menschen aus dem Ostteil ist der Film ein großartiger Erinnerungstrip und auch gut für das Selbstbewusstsein. Wir können stolz sein auf den historischen Sieg, den wir friedlich und gemeinsam erkämpft haben. Menschen aus dem Westteil Deutschlands kann der Film helfen, das schwer zu Beschreibende, die Seele des Ostens ein wenig besser zu begreifen.

Anke Domscheit-Berg wurde 1968 in Premnitz in Brandenburg geboren und wuchs in der ehemaligen DDR auf. Nach der Wende studierte sie International Business Administration in Bad Homburg und Newcastle und arbeitete als Unternehmensberaterin. Domscheit-Berg setzt sich für Transparenz und Gleichberechtigung in der Wirtschaft ein. Seit Mai 2012 ist sie Mitglied der Piratenpartei.

Quelle: F.A.Z.

Schuldenkrise

Griechen kaufen Griechen

FAS 13.10.2012 · Jörg Asmussen hat eine alte Idee wieder zum Leben erweckt: Griechenland könnte sich vom europäischen Rettungsfonds ESM Geld leihen und damit eigene Anleihen zurückkaufen. Das soll die Schuldenlast des Landes senken.

Von [Patrick Welter](#), Tokio



© Gyarmaty, Jens Jörg Asmussen, Direktoriumsmitglied der EZB

Im sich dahinschleppenden griechischen Schuldendrama ist keine Idee so abgegriffen, dass sie nicht wieder auf den Tisch käme. Eine solche Idee ist der Rückkauf griechischer Staatsanleihen durch die Regierung in Athen. Schon im vergangenen Sommer wurde darüber in Europa diskutiert. Letztlich entschieden die Euroregierungen sich bei der Auflage des zweiten Hilfsprogramms für Griechenland dagegen, und es kam zum privaten Schuldenschnitt.

Jörg Asmussen, der Deutsche im Direktorium der Europäischen Zentralbank, [hat den Vorschlag jetzt am Rande der Jahrestagung des Internationalen Währungsfonds und der Weltbank in Tokio wieder ins Gespräch gebracht](#). Der Charme des Vorschlags liegt darin, dass die Schuldenlast Griechenlands verringert würde - ohne Schuldenschnitt.

Wie geht das? Griechenland würde sich vom europäischen Rettungsfonds ESM Geld leihen und damit Anleihen zurückkaufen. Weil seine Schuldverschreibungen am Markt derzeit weit unter Nennwert gehandelt werden, würde jeder für den Rückkauf eingesetzte Euro in gewisser Weise „gehebelt“.

Im Endeffekt sinkt so die Schuldenlast des Landes, ohne dass private oder staatliche Gläubiger formal dem Land Schulden erlassen müssten. Dieses Rechenkül setzt freilich voraus, dass die Kurse der griechischen Anleihen nicht in Aussicht auf einen Rückkauf steigen. Damit könnte die Hebelwirkung sich größtenteils in Luft auflösen.

Der IWF dringt auf einen Schuldenschnitt der öffentlichen Gläubiger, an dem er selbst nicht teilnehmen würde

Im Erfolgsfall aber könnte der Vorschlag dabei helfen, den Knoten in den Verhandlungen über die Auszahlung einer weiteren Kredittranche an Griechenland aufzulösen. Mit geschätzten 171 Prozent des Bruttoinlandsproduktes (BIP) liegt der Schuldenstand Griechenlands nach derzeitigem Verhandlungsstand deutlich zu hoch, als dass realistischere Weise noch bis 2020 oder ein wenig später eine Quote von 120 Prozent des BIP erreicht werden könnte. Damit wäre die Schuldentragfähigkeit des Landes nicht mehr gesichert, und zumindest dem IWF wäre es verboten, noch mehr Kredittranchen an die Regierung in Athen auszuzahlen.

Der Währungsfonds dringt deshalb auf einen Schuldenschnitt der öffentlichen Gläubiger, an dem er - auf sein traditionelles, aber nicht festgeschriebenes Vorrecht als bevorzugter Gläubiger pochend - nicht teilnehmen

würde. Auch die EZB sträubt sich gegen einen Schuldenschnitt, weil dies einer verbotenen Staatsfinanzierung mit der Notenpresse gleichkäme.

Blieben die öffentlichen Gläubiger in Gestalt der Steuerzahler in den restlichen Ländern des Euroraums, die hinter dem ESM stehen. Sie würden freilich auch mit Asmussens Vorschlag belastet, weil damit die Altschulden Griechenlands vergemeinschaftet würden - mit der vagen Aussicht, dass das Geld später mal zurückgezahlt würde. Im Kern würde der Steuerzahler den bisherigen Gläubigern dieses Risiko abnehmen.

Im Haus von Bundesfinanzminister Wolfgang Schäuble wurde ein Schuldentrückkauf schon im vergangenen Sommer durchgerechnet. Damals hieß es, das könne die Schuldenlast Griechenlands um rund 20 Milliarden Euro senken. Schäuble erklärte nun in Tokio vor Journalisten, der Vorschlag werfe bei ihm einige Fragen auf. Der Phantasie aller Beteiligten sei aber keine Grenze gesetzt. Das hört sich nicht so an, als ob der Vorschlag seines früheren Staatssekretärs große Chancen auf Erfolg hat.

Quelle: F.A.S.

NYT October 12, 2012

A Third Weapon to Save the Euro

By [JAMES KANTER](#)

BRUSSELS — In an indication that union in Europe is still very much a work in progress, its top official on Friday suggested assembling yet another big gun to save the bloc's troubled common currency.

The European Central Bank has already promised to use its financial armory to buy unlimited quantities of bonds, and euro zone governments have pledged to fund a bailout “bazooka” worth €500 billion, or \$650 billion.

On Friday, [Herman Van Rompuy](#), the president of the European Council, made formal proposals for a third weapon to save the euro — a separate budget for the euro zone, perhaps equipped with a central treasury with borrowing capabilities, to combat sudden economic shocks and promote structural overhauls.

Mr. Van Rompuy did not say how much money such a treasury should manage, and no agreement on that figure is expected when E.U. leaders gather for a two-day summit meeting in Brussels in the coming week to consider his proposals.

The new weapon would differ in important ways from the European Stability Mechanism — the “bazooka” fund that held its first board meeting during the past week — as it would facilitate direct aid, rather than loans, to countries in acute difficulty, said Guntram B. Wolff, the deputy director of Bruegel, a research organization.

“If the money flows from participating countries to a single country in need,” Mr. Wolff said, “then I don't think this fund needs the capacity to borrow.”

Helping a country like [Spain](#) overcome an economic shock might require a sum equal to 5 percent of its annual output, or €50 billion, to support programs like unemployment insurance or subsidies for new infrastructure, Mr. Wolff said.

“But to pay for larger, regional shocks, such a fund would almost certainly need to bulk up its ammunition by going to the markets,” he said.

For [Germany](#), the budget could represent a step toward pooling euro zone finances that does not stir the fears of unlimited liability that poisoned an earlier discussion of so-called euro bonds, which would make euro zone countries jointly responsible for debt.

Mr. Van Rompuy did not rule out euro bonds in his report. But he sounded cautious about the prospects, writing that “the pooling of some short-term sovereign funding instruments” like treasury bills “could be examined further.”

Mr. Van Rompuy also sketched out a separate but related plan to offer countries money or other assistance in exchange for meeting economic targets, the kind of conditionality designed to appeal to Germany.

One “idea to be explored is for the euro area member states to enter into individual arrangements of a contractual nature with the E.U. institutions on the reforms promoting growth and jobs these countries commit to undertake and their implementation,” Mr. Van Rompuy wrote.

“This could include supporting reform efforts through limited, temporary, flexible and targeted financial incentives,” he wrote.

For governments like Spain's, trying to stave off deepening economic problems, and for France, where many officials are generally in favor of new tools to support the single currency, the creation of a budget, and perhaps a treasury, could be another channel of financial support in the event of a sudden shock.

Mr. Van Rompuy was careful to emphasize the system should "not lead to permanent transfers across countries."

But Mr. Wolff of Bruegel cautioned that it would be "very difficult to design such a system where such aid transfers do not last for long periods, like five or 10 years, because once money starts flowing, the incentive for countries to carry out reforms does risk being diluted."

NYT October 12, 2012

Despite Prize, European Union Loses Much of Its Appeal as Unity Eludes Continent

By [JACK EWING](#)

FRANKFURT — In awarding the Nobel Peace Prize to the [European Union](#) on Friday, the [Norwegian Nobel Committee](#) endorsed the organization's creation story — that it has kept chronic enemies from repeating the horrors of two world wars, and remains essential for that reason.

But nowadays the idea of a German armored thrust across the Rhine seems far-fetched. The artillery from such an attack would only target potential Volkswagen customers in Alsace or German tourists stocking up on bargain wine at [Monoprix](#).

From its earliest days as the [European Coal and Steel Community](#) that France, Germany, Italy and three smaller neighbors set up in 1951, the united-Europe project was at its inception mostly about business, harnessed to serve a political agenda. It was no accident that its successor organization a half-dozen years later, the [European Economic Community](#), was known as the Common Market.

As a result, the prize awarded to the European Union prompted some commentators to wonder Friday whether the organization needed a more contemporary marketing pitch for citizens who mostly have no memory of war, who may be more likely to associate the bloc with inept management of the euro zone crisis.

“Young people don't have the slightest idea what it means to be in a war,” said Charles Barthel, director of the Robert Schuman Center for European Research and Study in Luxembourg, named for one of the founding fathers of the bloc and based in the house where he was born.

“It would not be bad if Europe could think of a grand new vision,” Mr. Barthel said. But with the most tangible symbol of integrated Europe — the euro currency union — at risk of crumbling around the edges, he conceded that he did not know what the vision could be.

That may be the question raised by the Nobel committee and its [statement](#) on Friday that “the Union and its forerunners have for over six decades contributed to the advancement of peace and reconciliation, democracy and human rights in Europe.”

Some critics saw the award as unintentional confirmation that the founding premise of the Union is noble but obsolete, and that a new one is needed if the organization is to overcome the enormous social and economic strains that it faces.

Open Europe, an organization in London that lobbies for limits on European Union power, sarcastically likened the prize to a lifetime achievement award for a Hollywood has-been.

“You can almost picture the actor (the E.U. in this case) — dragging themselves up onto the stage to collect their award despite having since gone through several broken marriages, a series of stays in rehab and a ton of plastic surgery,” [the organization said on its blog](#).

A few commentators even suggested that the bloc's role as a guarantor of peace is exaggerated.

“Until the end of the cold war, it was NATO more than anyone else that kept the peace,” the former British foreign secretary, Malcolm Rifkind, was quoted as saying by The Associated Press.

Certainly, the founders of the bloc were deeply scarred by war and were searching passionately for a way to abolish future conflict. Mr. Schuman, a French foreign minister whose family's citizenship toggled back and forth between Germany and France depending on which one had most recently seized the surrounding countryside, escaped Gestapo arrest and spent [World War II](#) underground.

He and others who had seen the trauma of war up close were behind the proposal, in 1950, to place [coal](#) and steel industries under common supervision, so they could not be used to make military products. That established a precedent of using economic policy for political ends, which culminated almost half a century later in the euro.

The common currency was designed to yoke a unified, newly powerful Germany to the financial success of Europe, and political leaders pushed it forward in spite of warnings from economists that the Continent was not ready for the political and regulatory integration that makes the common currency of the dollar work, for example, in a unified federation like the United States.

Anne Deighton, a professor of European international politics at Oxford, said it was impossible to say whether European integration prevented further wars. "It is a counterfactual question, so we shall never know," she said in an e-mail.

But she defended the results. "It gave a new direction for European politics," she wrote. "It allowed the Continent to build upon the postwar burst of modernization and prosperity in the Western world by enlarging markets, and freeing up trade barriers."

She joined many others on Friday in noting the irony that the prize came from a country where "successive Norwegian governments themselves have been unable to persuade their own peoples to join the E.U."

It was the lure of a better material way of life that helped lure countries in the former Soviet bloc to become free-market democracies so they could join with Europe.

Recently, though, the euro zone's problems have slowed European expansion, and they may even be pushing in the opposite direction. Poland is no longer eager to join the common currency, and the European Union's ability to enforce democratic principles has been [challenged in Hungary](#), where the government has been harassing opposition news media.

Protesters in Madrid or Athens may not seriously want to drop out of the European Union, but they no longer take its benefits for granted. German news media perpetuate stereotypes of lazy Greeks, while some Greek protesters invoke Nazism while condemning Chancellor Angela Merkel of Germany.

In the euro zone, financial integration has gone into reverse, even as euro zone officials struggle to create stronger institutions, like a common bank supervisor. Banks have pulled back on cross-border transactions and lending, and companies in Spain pay double the borrowing rates of companies in Germany even if they are just as creditworthy.

Earlier this month, Mario Draghi, the president of the [European Central Bank](#), lamented this continental drift.

"When you see two subsidiaries of the same company located in two different countries and paying completely different interest rates for their borrowing," he said, "when you see exactly the same individual borrower, say a young couple that wants to buy a flat, and paying a completely different interest rate on mortgages, then you start asking yourself, maybe there is a problem here."

Amid all the scrambling by European leaders to deal with the euro crisis, there is no serious attempt to articulate a new vision for Europe that will seem relevant to modern citizens of European Union nations.

"Banking union, fiscal union — the normal person doesn't know what to make of that," said Mr. Barthel of the Schuman Center. "Everyone is regressing to their national interests. Solidarity is not so popular anymore."

Economic benefits alone are not enough to hold the bloc together, he said. “The new vision has to have economic content, but that is not enough,” Mr. Barthel said. “You need to give the people something they can identify with, something European they can identify with.”

To Mr. Barthel, the idea that Europeans could shoot at each other again someday is not as absurd as many people think. The breakup of Yugoslavia in 1991 showed that, he said, although Europe did later show itself able to keep the peace in Kosovo and Bosnia.

“The Balkans show how quickly it can happen,” Mr. Barthel said. “Peace is not so self-evident.”

But the European dream, if still looking for its new myth narrative, has not died. Bosnia and Serbia, Mr. Barthel noted, are both now trying to get into the bloc.

NYT October 13, 2012

I.M.F. Urges Leaders To Act Decisively on Debt

By [MARTIN FACKLER](#)

TOKYO — World finance officials called on the United States and Europe to quickly resolve their debt problems, saying on Saturday that more decisive action was needed to restore confidence in the faltering global economy.

In a communiqué at the end of a three-day meeting here in Tokyo, the members of the [International Monetary Fund](#) warned that global growth was slowing as the persistent debt crises in developed countries dragged down growth in emerging markets. The statement said quick action was needed to “break negative feedback loops and restore the global economy to a path of strong, sustainable and balanced growth.”

“There was no objection to the recommendation that we gave to the membership, which was a-c-t,” said the I.M.F. head, [Christine Lagarde](#), spelling out the word for dramatic emphasis.

The annual meetings here of the I.M.F. and the World Bank were focused on the harm to the world economy from the [sovereign debt crisis in Europe](#), and the prospect of automatic budget cuts and tax increases in the United States at the end of the year as American political leaders remain deadlocked over how to reduce deficits.

The I.M.F. warned that economic stagnation in richer countries hurt poorer ones, which rely on exports to the developed world to lift themselves out of poverty. Its members also cautioned that the slowdown in the West was hurting growth in Asia, now the world’s most dynamic economic region.

“Asia alone can’t carry the global economy,” the Australian treasurer, Wayne Swan, was quoted as saying by Reuters. “It is time for the other players to get off the benches and start to pull their weight on global economic growth again.”

The I.M.F. meeting was overshadowed at times by a different sort of problem that economists warn could also hurt growth in Asia: the region’s many territorial disputes. The finance minister and the central bank chief of China, Asia’s largest economy, skipped the meetings in a show of displeasure with their host, Japan, with which China is locked in an emotional [dispute over control of uninhabited islands](#) in the East China Sea.

The news at the meetings was not all bad. Some I.M.F. members said that global growth prospects were brighter now than six months ago, citing European progress toward containing the Continent’s [debt crisis](#). But the group also said that growth was still slowing, because of the developed world’s debt problems and other lingering effects from the global financial crisis.

Much of the discussion at the I.M.F. meeting focused on the risks that the United States, the world’s largest economy, might face if the Obama administration and Congress cannot agree on deficit reduction measures, setting off legally mandated tax increases and federal spending cuts early next year. Hitting that [“fiscal cliff”](#) would reduce growth and eliminate jobs at a time when the anemic American economy is still struggling to recover from the 2008 crisis.

The scale of America’s fiscal problems was underscored just hours before the meeting in Tokyo, when the Obama administration announced that the budget deficit this year would reach \$1.1 trillion, exceeding \$1 trillion for a fourth straight year. While that is down from last year, United States deficits had never topped half a trillion dollars before the 2008 financial crisis.

Treasury Secretary Timothy F. Geithner said Saturday that the United States had made progress in fixing its debt problems, but still faced a long road ahead.

“It is important that we in the U.S. enact a balanced framework to bring down our fiscal deficit and debt over several years, while continuing to provide support for jobs and growth in the short term,” he was quoted as saying by The Associated Press.

Islamisme: Valls dénonce les «ennemis en notre sein»

Par [Christophe Cornevin](#) Mis à jour le 12/10/2012 à 23:49 | publié le 12/10/2012 à 19:46 [Réactions](#) (171)



Interpellation d'un suspect lors du coup de filet des forces de l'ordre, samedi dernier, à Cannes. Crédits photo : MAXPPP/MAXPPP

Le premier flic de France en appelle à la «mobilisation de toute la société».

Face au spectre islamiste qui menace l'Hexagone, [Manuel Valls](#) interprète avec méthode une de ses partitions préférées. Celle du pragmatisme et de l'intransigeante fermeté, devenue la marque de fabrique mais aussi le socle de la popularité du ministre de l'Intérieur. En marge de sa visite à Marseille, le premier flic de France a affirmé avec force que la France doit lutter avec détermination contre de «véritables ennemis en notre sein».

Décrivant un «mélange du processus de radicalisation qui va de la petite délinquance en passant par le crime organisé, la rencontre avec l'[islamisme radical](#) en prison, le passage dans cet islamisme radical», Manuel Valls a appelé à «la mobilisation de toute la société». En clôture du congrès du syndicat de police Alliance (seconde organisation de gardiens de la paix), l'hôte de la Place Beauvau a cependant insisté sur le rôle central des forces de l'ordre: «Vous êtes en première ligne de cette lutte contre le [terrorisme](#). Tous, dans vos métiers, vos unités, avez un rôle à jouer notamment en matière de détection des signaux faibles.» «L'action de proximité menée quotidiennement dans les quartiers», a-t-il dit à ce sujet, «la connaissance acquise du tissu social doivent permettre de détecter les personnes à risque». «La menace terroriste est en mutation, a observé vendredi Manuel Valls. Elle est désormais le fait de Français nés sur notre sol parfois convertis à l'islam et qui ont versé dans l'islamisme radical» mêlant, selon lui, «délinquance, criminalité, antisémitisme virulent et soif d'un absolu de haine et de violence».

Sans détour, le ministre de l'Intérieur a fait allusion au démantèlement samedi dernier de la cellule de Cannes, composée «d'individus particulièrement dangereux et déterminés». Après avoir pris connaissance des synthèses de la Direction centrale de la sécurité intérieure et de la Direction centrale de la police judiciaire, le premier flic de France a considéré qu'«il y avait urgence car ce réseau était déjà passé à l'acte» et qu'il était en mesure de «frapper à nouveau».

Dans une conférence de presse, François Molins avait pour sa part décrit les contours du «groupe terroriste le plus dangereux que la France ait connu depuis les attentats de 1996». À cette époque, la France sortait d'une vague de huit attentats, entre juillet et octobre 1995, orchestrés par le Groupe islamique armé (GIA) et se soldant par huit morts et 200 blessés. «Une attaque terroriste dans notre pays a pu être évitée», a assuré François Molins, évoquant une «structure opérationnelle bien plus dangereuse que ce que nous pensions».

Des propos sans ambiguïté

[Sept des douze suspects interpellés à Cannes, Torcy et Paris](#) ont été mis en examen et écroués dans le cadre d'une information judiciaire ouverte pour «tentative d'assassinat en lien avec l'appartenance avec une religion, en relation avec une entreprise terroriste» et «association de malfaiteurs préparant des destructions par substances explosives susceptibles d'entraîner la mort». Demandant que cela soit détecté «aussi précocement que possible», Manuel Valls s'est «félicité de la réussite policière» dans cette affaire et a rappelé qu'il n'hésiterait pas à expulser des «éléments radicaux». Ces propos sans ambiguïté s'inscrivent dans ceux qui visaient, le 27 septembre dernier, «les prédicateurs de haine».

Lors de l'[inauguration de la mosquée de Strasbourg](#), le ministre avait pourfendu «les partisans de l'obscurantisme, les intégristes, ceux qui veulent s'en prendre à nos valeurs et à nos institutions». Avant de s'exclamer: «Ceux qui nient les droits des femmes, ceux-là n'ont pas leur place dans la République. Ceux qui sont sur notre territoire pour défier nos lois, pour s'en prendre aux fondements de notre société n'ont pas à y rester.» Une posture inflexible que n'auraient certes pas reniée ses prédécesseurs de la Place Beauvau.

Soziologe Hans Joas

„Mich schaudert das Tremolo in den Europa-Reden“

FAS 06.10.2012 · Der Religionssoziologe Hans Joas ist einer der wichtigsten deutschen Soziologen. Im Interview spricht er über die Sakralisierung Europas, die Probleme des Euro und wie sich das Rad der Geschichte zurückdrehen lässt.



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„Wenn einer von sich sagt, er sei ein Europäer, dann hat er sich damit schon als Deutscher enttarnt. Ein Brite oder ein Franzose würde niemals so auftreten“. Hans Joas in seiner Berliner Wohnung.

Herr Joas, ist die aktuelle Krise dazu geeignet, die europäische Einigung voranzutreiben?

Es geht im Moment wohl eher darum, eine Rückentwicklung zu verhindern. Ich halte es für falsch, so zu tun, als ginge es derzeit um die Abwendung künftiger Kriege, wenn es doch „nur“ um die Konstruktionsprobleme einer Währung geht. Schweden, Norwegen und Dänemark sind dem Euro nicht beigetreten. Trotzdem glaubt heute niemand, dass diese Länder wieder wie früher gegeneinander oder überhaupt in Europa Krieg führen könnten.

Was haben Sie dagegen, die Krise als Einigungschance zu nutzen?

Ich denke, dass ein übersteigertes Europa-Pathos wesentlich dazu beigetragen hat, von den erkennbaren Konstruktionsproblemen bei der Einführung der gemeinsamen Währung abzusehen. Wenn das richtig ist, dann darf heute die Reaktion auf diese Krise nicht die abermalige Übersteigerung eines solchen utopistischen Pathos sein.

Was meinen Sie mit übersteigertem Europa-Pathos?

Denken Sie an die Rede, die Papst Benedikt XVI. voriges Jahr im Bundestag gehalten hat. Das war für mich ein Plädoyer nicht so sehr für das Christentum, sondern für ein ganz spezifisches Bild von Europa. Demnach konnte die Aufklärung nur im christlich geprägten Europa entstehen. Darin steckten eine rückwärtsgewandte Idealisierung und Sakralisierung Europas, die paradoxerweise auch für hochgradig säkularisierte Intellektuelle attraktiv ist. Für die einen ist Europa großartig, weil es der Kontinent der Aufklärung ist, für die anderen, weil es das christliche Abendland darstellt. Ich habe Zweifel an allen diesen Sätzen.

Den politisch handelnden Personen - Frau Merkel, den Herren Barroso oder Monti - kann man aber wahrlich kein übertriebenes Europa-Pathos vorwerfen.

Ich rede ja nicht von persönlichem Charisma oder Enthusiasmus unter Politikern, sondern von einer **Idealisierung des Zieles Europa in der Öffentlichkeit**. Angela Merkel muss gewiss zwischen der zunehmenden Europa-Skepsis in der deutschen Bevölkerung und dem Druck ihrer europäischen Amtskollegen balancieren. Was sie bei diesem Balanceakt wirklich denkt, ist schwer auszumachen.

Die Intellektuellen mögen pathetisch sein, die Politiker pragmatisch: Beide aber haben Angst vor den Kosten einer Desintegration.

Diese Kosten müssen mit den Kosten einer immer weiter verschleppten Revision falscher Entscheidungen verglichen werden. Ob Deutschland wirklich in Langzeitperspektive der große Profiteur des Euro ist, ist zudem unter Ökonomen höchst umstritten.

Die Befürworter der europäischen Einigung sagen: Nur gemeinsam können wir Europäer uns in der globalisierten Welt behaupten.

Ich rede hier nicht als Gegner europäischer Einigungsprozesse. **Mich schaudert es aber vor diesem Tremolo in den Europa-Reden.** Auch die Wissenschaftler des 19. Jahrhunderts haben so getan, als sei die bisherige Geschichte geradewegs auf die Gründung von Nationalstaaten zugelaufen. **Ich sehe die Gefahr, dass wir diesen Fehler nun in größerem Maßstab wiederholen und die Geschichte in ein neues Korsett zwingen - der angeblichen Unausweichlichkeit des europäischen Einigungsprozesses.**

Europa ist für Sie nicht nur positiv besetzt?

Europa ist auch der Mutterboden der modernen Totalitarismen, der Ausgangspunkt auch von Kolonialismus und Imperialismus. Ich halte ein Europa-Bild für irreführend, das so tut, als hätten diese Phänomene mit der guten europäischen Geschichte nichts zu tun.

Aber aus der schlechten Geschichte haben wir doch gelernt, heißt es immer. Ein Verzicht auf die europäische Einigung wäre ein Abschied von der Weltgeschichte, warnt der Philosoph Jürgen Habermas.

Aus dieser Formulierung höre ich noch nicht den Lerneffekt. Wir dürfen nicht unterstellen, dass die Außenpolitik eines vereinigten Europas einfach eine friedliche wäre. Briten und Franzosen agierten noch lange im Stil des alten Imperialismus - auch als der europäische Einigungsprozess längst begonnen hatte.

Die Deutschen sehen das anders.

Wie heißt es so schön: Wenn einer von sich sagt, er sei ein Europäer, dann hat er sich damit schon als Deutscher enttarnt. Ein Brite oder ein Franzose würde niemals so auftreten. **Das deutsche Europa-Pathos hat etwas mit unserer spezifischen Abwendung vom Nationalismus nach 1945 zu tun.**

Weil die Währungsunion alleine nicht funktioniert, müssen wir die wirtschaftliche und politische Union nun nachholen, heißt es.

Ich verstehe das Argument völlig. Aber wenn wir die Frage der Wünschbarkeit einklammern und uns vernünftigerweise auf die Realisierbarkeit konzentrieren: Ich kann mir nicht vorstellen, dass es dafür in Deutschland oder erst recht in Frankreich oder anderswo in Europa derzeit politische Mehrheiten gibt. In diesem Sinn ist jetzt der schlechteste Moment, um die Integration zu verstärken.

Bei früheren Integrationsschritten ist die Politik doch auch vorangegangen?

Jede Regierung, die heute in diese Richtung vortreten wollte, würde populistische Bewegungen von rechts und links riskieren. Es ist ja nicht so, dass sich die nationale Politik von starken Strömungen in der Bevölkerung erkennbar entfernen kann. In Deutschland ist das durch die vielen Landtagswahlen fast ausgeschlossen. Die Diagnose lautet doch meist gerade umgekehrt: Langfristige Entscheidungen sind nahezu unmöglich geworden, wenn sie im Moment nicht populär sind.

Was ist Ihre Alternative?

Das ist natürlich die Preisfrage. Ich möchte nicht so klingen, als wüsste ich die Lösung für die Euro-Krise. Was wir erleben, ist eine historisch derart neue Konstellation, dass sich ein solcher Ton verbietet. Wir wissen

einfach alle nicht mit Sicherheit: Was sind die ökonomischen und politischen Folgen, wenn Griechenland aus der Währungsunion ausscheidet - oder wenn es den Euro behält?

Raus aus dem Euro oder nicht raus aus dem Euro?

Wer - Griechenland? Oder Deutschland, wie George Soros vorschlägt? Wir sollten gedanklich an den Punkt der Euroeinführung zurückgehen und überlegen, was damals falsch war - und wie wir heute mit den Folgen dieser Fehler umgehen.

Man kann Rühreier nicht wieder in einzelne Eier trennen oder, anderes Bild, das Rad der Geschichte zurückdrehen.

Ich kenne diese Formulierung aus dem Kommunismus: Man kann aus einem Aquarium eine Fischsuppe machen, aber nicht aus einer Fischsuppe ein Aquarium. Das sollte heißen: Da die Sowjetunion zivilgesellschaftliche Strukturen zerstört hat, könnten sie nicht einfach wiederhergestellt werden. Aber nach dem Zerfall der Sowjetunion sind wieder einzelne, mehr oder weniger demokratische und marktwirtschaftliche Staaten entstanden. Aus marxistischer Perspektive wurde also tatsächlich das Rad der Geschichte zurückgedreht. Nun will ich keine falschen Vergleiche anstellen. Aber dieses Schema finden wir auch in der Europa-Politik - als wäre die Entstehung eines integrierten europäischen Staatsgebildes die alternativlos zwingende Logik der Geschichte.

Denken Politiker zu sehr vom Primat der Ökonomie, wenn sie sagen: Fällt der Euro, fällt Europa?

Diesen Primat der Ökonomie gab es zwar in der ganzen Geschichte der europäischen Einigung. Oft war das aber keine bewusste Entscheidung, sondern die Konsequenz daraus, dass auf anderen Feldern wie einer gemeinsamen Außenpolitik oder einer europaweiten Demokratie eine Einigung unmöglich war. Darin steckt selbst ein immer wieder aufgeschobenes Problem und das Risiko, ökonomische Probleme herbeizuführen.

Bislang hat die Ökonomie die Europäer zusammengeführt, in der Krise ist es jetzt umgekehrt?

Der Friedensforscher Dieter Senghaas hat bei der Einführung des Euro gesagt: Wenn es eine große weltpolitische Krise gibt, eine Kriegsgefahr etwa, dann wird sich Europa als so einig erleben, dass daraus der Impuls für eine staatliche Einigung entsteht. Das hat eine gewisse Plausibilität, wie die Wirkung der sowjetischen Blockade West-Berlins auf die Entstehung einer Loyalität mit den Amerikanern zeigte. Ich bezweifle aber sehr, dass eine wirtschaftliche Krise einen solchen Umschlag bewirken kann.

Ist die Notwendigkeit der europäischen Einigung als friedensstiftendes Moment obsolet geworden?

Ganz und gar nicht. Ich gehöre zu der Generation, für die es zentral ist, die Wiederkehr eines Europa zerreißen Nationalismus zu verhindern. Gerade deshalb warne ich davor, diese Errungenschaften aufs Spiel zu setzen, weil man um jeden Preis eine Währungsunion retten und gar noch raschere Integration durchsetzen will. Nicht die Kritiker der europäischen Währungsunion, sondern jene, die bei der Einführung des Euro Bedenken leichtfertig beiseitegeschoben haben, hätten heute Anlass zur Selbstkritik.

Der Religionssoziologe

Bis Sommer 2011 war **Hans Joas** (geb. 1948) Leiter des Max-Weber-Kollegs in Erfurt, inzwischen ist er Permanent Fellow am Freiburg Institute for Advanced Studies (Frias) und zugleich Professor für Soziologie an der Universität Chicago. Er beschäftigt sich mit der Entstehung von Werten, der Soziologie von Krieg und Frieden und der Religionssoziologie: Unser Glaube an die Menschenwürde ist das Ergebnis einer Sakralisierung, wonach jeder Mensch als heilig anzusehen ist. Zuletzt sind von ihm erschienen: „Ansichten der Moderne“ und „Glaube als Option“.

Das Gespräch führten **Ralph Bollmann** und **Rainer Hank**.

NYT Editorial October 12, 2012

A Nobel for the Continent

Perhaps we should congratulate the European Union for winning the Nobel Peace Prize and let it go at that. It is not, after all, unusual for the Norwegian committee to select an organization rather than an individual, and the E.U. surely satisfies Alfred Nobel's criteria of forging fraternity between nations, reducing standing armies, and holding and promoting peace congresses.

There is no question that the E.U. has come to symbolize the transformation of a continent mired for centuries in war to one that has embraced peace and human rights. And by opening its doors to newly liberated members of the Soviet bloc, the E.U. certainly helped to break down the division of East and West.

But when the Norwegian Nobel Committee selects the E.U. for a peace prize just when Europe is going through a major and potentially destructive crisis, it is obvious that, once again, the Norwegians have chosen to send a political message. Thorbjorn Jagland, the chairman of the Norwegian Nobel Committee, acknowledged as much in a news conference: "We want to remind us all what can happen if disintegration starts and if we let extremism and nationalism start growing again in Europe." Again, that is not new: the Nobel Committee has regularly stirred controversy by using the award to encourage and endorse political courses of action. The award to Barack Obama less than a year into his presidency or to Le Duc Tho and Henry Kissinger in 1973 are only two of many examples.

Yet we find ourselves asking whether it is really the job of the committee to use this award to get involved in current affairs rather than to single out great achievements, as the awards to Albert Schweitzer and Mother Teresa did. And we find it a bit hard to accept the singling out of the E.U. (which Norwegians have voted against joining) for its fostering of peace in Europe since World War II, when NATO and the United States were at least as responsible.

But all that aside, who can begrudge the E.U. a dollop of positive reinforcement at this time? There is little question that the E.U. is a remarkable achievement, and if this award helps it overcome its current woes, good. One way to do that would be to give the award money to Greece.

«Les flics véreux? Bien sûr que ça se savait...»

Par [Delphine de Mallevouë](#) Mis à jour le 12/10/2012 à 23:04 | publié le 12/10/2012 à 19:52 [Réactions](#) (9)



Crédits photo : BORIS HORVAT/AFP

Un policier devant le bâtiment de la BAC, début octobre dans les quartiers nord de Marseille.

À Marseille, les habitants ne semblent pas étonnés du scandale de la BAC...

Dans les [quartiers nord de Marseille](#), ni commerçants ni habitants ne s'étonnent du coup de filet chez les «flics ripoux». «Moi, choqué?, s'esclaffe Jean, patron d'un tabac. Personne ne peut l'être ici, on est né là, on a grandi dedans, on est habitué, Marseille c'est Marseille!» «Les flics véreux? Bien sûr que ça se savait, depuis toujours on le sait, on vit avec», rétorque un autre commerçant. «Je ne les excuse pas mais je les comprends, ajoute-t-il. J'en parle souvent avec mes copains policiers à la salle de sport: ils travaillent dans l'insécurité permanente tout en gagnant une misère, alors quand ils voient des liasses dans les mains de dealers de 16 ans, parfois ils sont tentés.»

Agnès, elle, est surprise mais uniquement «parce qu'on commence enfin à en parler!». Sur le terrain depuis des années, elle dirige une fédération d'associations d'artisans et de commerçants des XVe et XVIe arrondissements dans le nord de la ville. Elle est en outre «référénte police» pour ces commerçants, depuis 2009, sur les problèmes de sécurité. «Ils m'interpellent depuis des années sur le copinage et la complicité des policiers avec les délinquants, dit-elle. **Ils ne comprennent pas que les flics prennent le temps de venir claquer la bise aux voyous dans les quartiers où la misère est une urgence, et qu'ils soient de mêche avec ceux qui les mettent en insécurité.** Ils ont un sentiment de double peine, l'impression de vivre dans une zone de non-droit officielle.» Pour Agnès, «il faut tout refonder à la [BAC](#), dit-elle, et commencer par revoir la sélection de nos policiers en faisant venir des recrues qui n'ont jamais mis un pied dans la ville».

Mutée à Marseille il y a quelques mois, une femme policier de la région parisienne se serait ouverte à Marc, un journaliste venu déposer plainte, des agissements suspects de ses collègues. «Elle trouvait que les choses ne tournaient pas rond, m'a confié avoir peur et n'avoir aucune confiance en eux», se souvient-il. Selon Lisette Narducci, maire des IIe et IIIe arrondissements, dans le secteur nord de la ville, **«la confiance en la police est une grande inquiétude pour les présidents de comités d'intérêts des quartiers»**, rapporte-t-elle après les avoir reçus jeudi. «Si certains ont fauté, c'est choquant et regrettable mais la justice tranchera, dit-elle. Ne jetons pas l'opprobre sur l'ensemble de la police, ce serait injuste et ne ferait que renforcer la position des voyous.»

Griechische Staatsschulden: EZB erwägt Rückkaufprogramm

FAZ 12.10.2012 · Im Kampf gegen die Krise hat EZB-Direktoriumsmitglied Jörg Asmussen ein neues Modell ins Spiel gebracht, um die Schuldenquote Griechenlands zu senken. Nach der Bundesregierung zeigten sich jedoch auch die deutschen Geschäftsbanken skeptisch.

Von [Manfred Schäfers](#) und [Patrick Welter](#), Tokio

Die Überlegungen der Europäischen Zentralbank (EZB), die griechische Schuldenlast mit Hilfe eines Schuldentrückkaufprogramms zu lindern, stoßen auf Vorbehalte. Nach der Bundesregierung zeigten sich auch die deutschen Geschäftsbanken skeptisch. Sie verweisen darauf, dass ein Rückkauf von Staatsanleihen die Preise in die Höhe treiben könne, so dass die Senkung der Schuldenquote womöglich nicht gelänge oder deutlich teurer würde.

„Die Frage ist, wenn ein solches Rückkaufprogramm käme, wie schnell dann möglicherweise diejenigen, die verkaufen könnten oder wollten, dafür höhere Preise verlangen“, sagte der Präsident ihres Bundesverbandes, Andreas Schmitz, am Samstag am Rande der Jahrestagung von Internationalem Währungsfonds (IWF) und Weltbank in Tokio. Käme es zu einer solchen Preissteigerung, wäre der Effekt des Modells relativ gering, prognostizierte Schmitz. Das Kernproblem liegt nach seinen Worten in der fehlenden Wettbewerbsfähigkeit der griechischen Wirtschaft. Selbst wenn man das Land völlig entschulden würde, hätte es am Ende des Jahres wieder Schulden auf dem Konto.

Jörg Asmussen, Mitglied des Direktoriums der EZB, hatte zuvor in Tokio vor Journalisten gesagt: „Wir müssen in den kommenden Wochen über Lösungen wie ein freiwilliges Rückkaufprogramm nachdenken.“ Ziel solcher Bemühungen wäre, die Schuldenquote von Griechenland zu senken und die Verschuldung auf ein nachhaltiges Niveau zurückzuführen.

Eine solche Lösung könnte aus der Blockade führen, in der die Verhandlungen mit Griechenland in dem Kreditprogramm feststecken. Klar ist als Folge verzögerter Privatisierungen und anderer Reformen sowie der schlechten Wirtschaftslage, dass Griechenlands Schuldenstand höher ist als bislang erwartet. Auch muss ein Finanzierungsloch im Haushalt gestopft werden, was über weitere Hilfskredite den Schuldenstand, gemessen am Bruttoinlandsprodukt, zusätzlich erhöhen würde. Insgesamt steht so die Schuldentragfähigkeit des Landes in Frage. Der IWF präferiert als Ausweg einen Schuldenschnitt der öffentlichen Schuldner Griechenlands. Die EZB schließt das ebenso wie der IWF aber für sich aus. Das Interesse der Euro-Staaten an einem Schuldenschnitt sei ausgesprochen gering, sagte Asmussen. Deshalb müsse nach einer Reihe von Lösungen gesucht werden, um die Schuldenquote zu verringern.

Bei dem von ihm ins Spiel gebrachten Anleiherückkauf geht es im Kern darum, dass griechische Staatsschulden aus dem Markt genommen werden, um so den Schuldenstand zu drücken. Ein Rückkaufprogramm könnte mit Hilfe des dauerhaften Stabilitätsmechanismus ESM oder des vorläufigen Hilfsfonds EFSF organisiert werden. So könnten ESM oder EFSF der Regierung in Athen Finanzmittel geben, damit diese Anleihen des Landes am Markt erwerben kann. Wenn diese beispielsweise zu einem Drittel des Nennwerts gehandelt werden, könnte mit einem Einsatz von rund 3,3 Milliarden Euro Papiere im Wert von 10 Milliarden Euro zurückgekauft werden, um diese anschließend stillzulegen. So käme man auf eine Senkung der griechischen Schuldenlast um netto 6,7 Milliarden Euro – aber nur, wenn nach der Ankündigung eines solchen Programms die Kurse der Anleihen nicht steigen.

Die Bundesregierung sehe keinen Anlass für solche Überlegungen, verlautete aus Regierungskreisen in Berlin. Solche Gedankenspiele der EZB seien unrealistisch. „Die Bundesregierung plant keine neuen Instrumente für den EFSF und ESM“, hieß es.

Diese Kritik geht insoweit ins Leere, weil neue Instrumente dann nicht gebraucht würden, wenn die Hilfsfonds nur Geld an die griechische Regierung gäben und diese dann selbst Anleihen zurückkaufte.

Die Überlegungen, wie man den Schuldenstand Griechenlands verringern kann, würden noch dringender, falls die Europäer der Forderung der geschäftsführenden Direktorin des IWF, Christine Lagarde, folgten, dem Land zwei Jahre mehr Zeit zur Rückführung des Defizits einzuräumen. Damit vergrößerte sich nicht nur das Finanzierungsloch im Haushalt, sondern - bei einer Deckung mit Krediten – steige auch der Schuldenstand. Bundesbankpräsident Jens Weidmann äußerte sich in Tokio skeptisch zu Lagardes Forderung. „Es muss klar sein, dass eine Streckung des Anpassungszeitraums natürlich auch mit höheren Finanzierungen verbunden sein wird“, sagte Weidmann. Bundesfinanzminister Wolfgang Schäuble (CDU) nannte die Forderung Lagardes eine wenig hilfreiche Spekulation. Andere Finanzminister zeigten in Tokio Verständnis für die IWF-Forderung. „Es ist wert, darüber nachzudenken“, sagte Kanadas Finanzminister James Flaherty. Sein Amtskollege aus Brasilien, Guido Mantega, sagte: „Wir argumentieren schon seit einiger Zeit, dass einseitige und drakonische Fiskalpolitiken kontraproduktiv sind.“

Weidmann warnte in Tokio zugleich davor, die Notenbanken zu überfordern. Sorge bereite, dass sich die Hoffnungen und Erwartungen der Politik mehr und mehr auf die Zentralbanken als Problemlöser für konjunkturelle und fiskalische Probleme richteten, sagte Weidmann. Die Geldpolitik stelle kein Allheilmittel dar und sei keine Wunderwaffe. Sie könne die Probleme der Krise nicht grundlegend lösen, sondern nur unter Dehnung ihres Mandats finanzieren. „Sie gerät damit auch in das Schlepptau der Fiskalpolitik“, mahnte Weidmann. „Der bequeme Ausweg über die Notenpresse ist eben keine Lösung.“ Letztlich sei es Sache der Regierungen, mit fiskalischen und strukturellen Reformen zu handeln. Hintergrund der Warnung sind zunehmende Erwartungen an die Europäische Zentralbank, mit dem Ankauf von Staatsanleihen den Krisenstaaten unter die Arme zu greifen. Die EZB hatte sich eine solche Möglichkeit gegen die Stimme von Weidmann eröffnet.

Asmussen verschärfte wie auch das EZB-Direktoriumsmitglied Benoît Cœuré in Tokio die Bedingungen dafür, dass Euro-Staaten vom angekündigten EZB-Anleihekaufprogramm profitieren können. Asmussen bezeichnete es als eine notwendige Bedingung, dass der Währungsfonds eingebunden werde, sagte Asmussen. Die EZB hatte bisher nur eine Präferenz für die Beteiligung des IWF geäußert.

Peter Slater ([Wales-R...](#)) - 13.10.2012 00:53 Uhr

"Herr Jörg Asmussen" wie wärs, wenn der Grieche mal endlich Steuern zahlt ...

... wenn sie länger Arbeiten, wenn die ganze Gesellschaft ihre lebhaftige Korruption und Schwindel beendet und wie wäre es, wenn das Rentenalter um ein paar Jahre erhöht wird und wie wäre es, wenn die Verteidigungsausgaben um 3viertel reduziert wird und damit wir das ja nicht vergessen, wie wäre es mal, wenn Griechenland die Schuld bei sich selbst suchen würde, anstatt Deutschland für dessen skandalösen Zustand die Schuld zu zuschustern, aber das ist Ihnen ja überhaupt nicht eingefallen ... x

Karl Dietrich Naumann ([Huga](#)) - 13.10.2012 00:05 Uhr

Perverse Gedankengänge eines Bankers !

Mit von der EZB geliehenem Geld Schulden zurück zahlen ! Und sind denn geliehenes Geld von der EZB keine Schulden mehr ? Asmussen hat sich entlarvd, das EZB Geld ist gedrucktes frisches Geld, der Verlust bei den zahlungsunfähigen Griechen juckt keinen. So schnell nimmt dieser Kerl die Farbe seiner mediterranen Umgebung an und er soll die deutschen Interessen vertreten, pfui Teufel !! Ein Inflationseinheber ist er !

Bernd Schweitzer ([bernd.s...](#)) - 12.10.2012 23:29 Uhr

Wer macht mit beim Schuldenschnitt?

Was sich in der Finanztrickkiste nicht so alles findet! Das nenne ich einen Schuldenschnitt auf freiwilliger Basis, denn jeder, der zu 33% verkauft, verzichtet auf 67%.

Wie hat Argentinien das so schön gesagt: "alte Schulden bezahlen wir nicht". Und was ist mit neuen Schulden? "die lassen wir alt werden".

Michael Mitzsch ([Mutzsch](#)) - 12.10.2012 21:06 Uhr

Nobelpreisverdächtig: Erfindung des "perpetuum mobile" der Finanzwelt

Was für eine Erfindung! Die Regierung in Athen soll mit geliehenem Geld eigene Schulden (Staatsanleihen) zurückkaufen! Wenn es da keine Reibungsverluste gibt, sind wir Zeugen der Geburtsstunde der perpetualen Geldbewegung.

10/12/2012 06:42 PM

Ignoble Prize?

Euroskeptics Call Nobel Honor an 'April Fool's Joke'

By [Carsten Volkery](#) in London

European leaders greeted the decision to award the Nobel Peace Prize to the European Union on Friday, saying it would provide urgently needed motivation in the debt crisis. But euroskeptics could hardly believe their ears and are already ridiculing the jury in Oslo.

The decision to award the Nobel Peace Prize to the European Union has divided the Continent. While European leaders in Brussels and national capitals are basking in the glow provided by the unexpected honor, euroskeptics in the EU have unleashed their contempt for the Norwegian Nobel Committee.

In Britain, Friday's award has been the subject of particularly heated commentary. Iain Martin, a columnist with the conservative *Daily Telegraph* dismissed the prize as "beyond parody." He writes that the prize has been awarded prematurely because "we have no idea how the experiment to create an anti-democratic federation will end." Besides, he writes, "daftest of all is the notion that the EU itself has kept the peace." Instead, he writes, it was the Brits and the Americans who brought peace to the Continent.

Members of the House of Commons with the conservative Tories described the decision as "laughable" and an "April Fool's Joke." Meanwhile, the tabloid *Daily Mail* runs with photos of protesters in Athens burning a flag emblazoned with a swastika during this week's visit by German Chancellor Angela Merkel and quotes the head of the Tory party in the European Parliament, Martin Callanan, as stating, "Presumably this prize is for the peace and harmony on the streets of Athens and Madrid."

Even the EU-friendly *Economist* columnist Charlemagne writes, "Hmmm," questioning the timing of the award, given that the EU is currently threatened with a break-up.

The 'Opposite of Peace'

Meanwhile, social networks are filled with wise cracks about how the EU, in light of the euro crisis, certainly wouldn't qualify for a Nobel Prize in economics. And there is also considerable speculation online about which of the numerous presidents of EU institutions will ultimately accept the prize. Some newspapers are even calculating how many pence each Brit would get if the €1 million in prize money were divvied up among them.

The gloating underscores the extent to which the debate over the EU has taken a life of its own in Britain. What is considered to be historical fact on the Continent is disparaged as EU propaganda in the UK. "To be sure, France and Germany have not gone to war since 1945," writes *Spectator* blogger James Forsyth. "But to chalk that up solely to the European Union is a profound misreading of history." He described the decision in Oslo as "bizarre."

Of course, critics of the EU also raised their objections on Friday in other European countries. In Greece, a spokesperson for the opposition Syriza party said that, because of the EU, "we are experiencing what really is a war situation on daily basis ... there is nothing peaceful about it." Meanwhile, the Norwegian Peace Council declared that the EU in the past year has stood for the "opposite of peace." In Germany, the conservative daily *Die Welt* criticized the "forced political correctness of a jury that has overlooked the unpleasant reality of the euro crisis" in awarding the prize. Finally, Imka Höger, a member of the German parliament with the far-left Left Party accused the EU of conducting foreign policy that promotes "adversity, poverty and war."

'The Most Successful Peace Process in History'

Has the EU therefore not earned the Peace Prize? The award does in fact raise a number of questions: How often has the EU looked on helplessly as international conflicts unfolded when it could have done something? And how likely to survive is the supranational idea in light of the nationalism seen in many of the member states?

Regardless, references to recent decisions and disputes seem petty next to the historic success of 60 years of peace, which explains why the Continent is awash in pride over the honor. German Foreign Minister Guido Westerwelle is not alone in considering the EU the "most successful peace project in history." In France, there has also been an overwhelming relief to have the EU viewed positively once again. French daily *Le Parisien* wrote of "revenge" for the EU, comparing its treatment to that by a mean stepmother. "Unexpected, earned, touched, honored," begins an article in *Le Nouvel Observateur* describing the feelings of Europeans.

Former European Commission President Jacques Delors called the award "satisfaction for the deceased fathers of Europe." And a statement from the Elysée Palace, the office of President François Hollande, said that "every European should be proud to be part of a union that has created peace between long-warring nations."

The British government, though, has not yet commented on the prize. Apparently Prime Minister David Cameron couldn't manage praise for the EU even on this day. Still, in London many commentators concluded that the Nobel Peace Prize was justified. Despite its imperfections, the EU remains a "beacon of hope" for millions of people on the periphery of Europe, commented the generally euroskeptic *Times of London*.

IMF calls for end to all-out austerity

12 October 2012

El País



[El País](#), 12 October 2012

“The IMF is demanding an end to the excessive austerity in countries like Spain,” [headlines *El País*](#) following the annual meeting of the International Monetary Fund held October 11 in Tokyo.

The Director of the Fund, Christine Lagarde, has indeed called for “more time” to be given to countries to implement austerity measures.

According to *El País*, the statement marks –

... the high point of a Copernican turn in the IMF's view of the crisis, a vision that has evolved from a radical orthodoxy to [...] a fresh and promising realism. Many, especially among the group of leaders of the European Union, with Germany in the lead, should try to understand and take onboard these decisions.

The Madrid daily sums up the “four elements” that make the Spanish economy the global “centre of attention” in the conclusions of the IMF –

Spain is second-last place in the global growth forecast for 2013; its total bail-out by the EU is urgently needed to prevent new episodes of turbulence; if the Spanish government demands it, the more prosperous countries, like Germany, should make it easier; peripheral countries should be given longer periods to meet their commitments to lower the public deficit.

Lagarde's statements coincided with a new downgrade of Spain by Standard & Poor's, from BBB + to BBB-, or just one notch above the ‘speculative’ rating (junk bond). *El País* qualifies the decision as a –

... miserable disqualification, because it combines a critical analysis similar to that of the IMF with an alarmist and hyper-politicised rhetoric, to show itself [the ratings agency] as being a self-styled arbiter above all suspicion. This agency – and the others as well – should reflect on the effectiveness of their analyses.

Nobel Peace Prize

A prize that “could not have come at a better time”

12 October 2012

Presseurop

Süddeutsche Zeitung, La Tribune, El País & 2 others

Hardly had the awarding of the Nobel Peace Prize to the European Union been let out of the bag that the European press responded with a mixture of enthusiasm and scepticism. At a time when Europe is doubting itself, emphasises the press, the award will encourage those who still believe in integration.

"The Nobel Peace Prize for the EU?" [asks the Süddeutsche Zeitung](#): "This quarrelsome bunch of states, more or less bankrupt, whose largest project, the monetary union, is on the verge of blowing up in their faces? That's a bit thick, coming from the Norwegian committee, which must be careful to ensure that over the long run its decisions will be taken seriously."

The Munich daily, however, recognises the merit of European construction in keeping the peace in Europe, as well as its “honourable efforts” to bring a message of peace to the world. However, it recalls –

Süddeutsche Zeitung

... the EU plays no significant role in the search for peace in the world, and things will stay that way for some time yet. We didn't have to wait for the bitter experiences of the Euro crisis to grasp that Europeans do not stick together in the decisive moments and are more attached to their national undershirt than their European petticoat.

[For the on-line French daily La Tribune](#), winning the Nobel Prize is a “surprise”, coming as it does at a time when Europe is being brought low by the crisis.



These difficulties have brought to light that, beyond the reassuring speeches of the European leaders, the people remain attached to their nations, as shown by the reluctance of citizens of northern countries, led by Germany, to pay for the countries of the south. [...] Ironically, this prize may better reflect the worries of the Nobel Committee for the future and the cohesion of the EU. The idea is to recall the usefulness of the EU at a time when the ranks of the doubters are swelling.

[According to El País](#), it's "an unexpected reward" the EU has received. While pointing out that Norway, which gives out the Nobel Peace Prize, "refuses to join the club, after rejecting membership in referendums in 1972 and 1994, and whose surveys show that nearly three quarters of the population would make the same choice today," the daily believes

EL PAÍS

Peace is inherent to the EU, where diplomacy is always seeking out [...] the best way to resolve conflicts before they escalate, or to get out of situations that have turned ugly [...] The EU came clumsily and too late to the Balkan War, when the United States pulled their chestnuts out of the fire [...] In the strategy of the stick and the carrot that must accompany all foreign policy, the EU is as shy with the stick as it is skilled with the carrot, and this handicap has not been a bad thing for a Union draped naturally in the flag of human rights.

In Rotterdam, the editor-in-chief of [NRC Handelsblad](#), [Juurd Eijssvoogel](#), writes that –



The Chairman of the Nobel Committee announced that this year's winner would provoke controversy. That it surely will, as the EU is under fire. With its choice, the Committee has brushed up against a delicate subject, as it did in 2009 by awarding the prize to Barack Obama. On the other hand, it is hard to argue that the EU has not made an important contribution to peaceful coexistence in Europe.

In a commentary published on the website of the state television broadcaster *RTP, Público* columnist [Teresa de Sousa writes](#) that, according to her, the award of the Nobel Peace Prize to the EU –



... is a warning that could not have come at a better time for governments and leaders as well as the European institutions, to help them think harder about how they can avoid a European breakdown. [...] The question is whether European leaders will pay sufficient attention to this award.

Debate

The disenfranchisement of Europe

Presseurop 12 October 2012

[Der Hauptstadtbrief](#) Berlin

With acronyms like EFSF or ESM and mantras that preach that there are no alternatives, such as “If the euro fails, Europe fails”, politicians are undermining Europe’s historical democracy. And they won’t pull through that way, writes German author Hans Magnus Enzensberger.

[Hans Magnus Enzensberger](#)

Crisis? What crisis? The cafes, bistros, and the beer gardens are overflowing, German airports are bustling with tourists, and one hears talk of record exports and falling unemployment. The summits scaled weekly by the politicians and the confused disputes of the experts provoke yawns. It all seems to be played out in a rhetorical No Man's Land full of incomprehensible language rules that have nothing to do with the everyday routines of the world we live in.

What’s least noted is that the countries of Europe for a long time are no longer ruled by democratically legitimate institutions but by the horde of abbreviations that have usurped them. Where it's going is spelled out by EFSF, ESM, ECB, EBA and IMF. Only experts can puzzle out these acronyms.

Not just that: the who, what and how of decisions in the European Commission and the Euro Group are revealed to insiders only. What all these “facilities” have in common is that they are not mentioned in any Constitution anywhere in the world, and that no voter has the slightest say in their decisions.

The equanimity with which the inhabitants of our small continent have accepted their political ouster seems a little eerie. This may be because it is a historical novelty. Unlike the revolutions, coups d'état and military putsches that European history is so rich in, this is happening to us silently and without violence. No torchlight processions, no parades, no barricades, no tanks. Everything is playing out calmly in the back room.

Abolition of the rule of law

That no heed is paid to treaties surprises no one. Existing rules such as the principle of subsidiarity in the Treaties of Rome or the no-bailout clause from Maastricht are being undermined at will. The principle of Pacta sunt servanda (“Agreements must be kept”) is reduced to an empty phrase dreamed up by some legal fustbudgets of antiquity.

The abolition of the rule of law is proclaimed openly in the ESM treaty. The decisions of the controlling members of this rescue team are effective directly under international law and are not bound to the approval of parliaments. As was customary in the old colonial regimes, they call themselves governors and they are, just like directors, not accountable to the public.

On the contrary, they are expressly sworn to secrecy. This is reminiscent of the Omerta, which is part of the code of honour of the Mafia. Our own Godfathers are beyond any judicial or legislative control. They enjoy a privilege that not even a boss of the Camorra deserves: absolute immunity from criminal prosecution. (It is written down in Articles 32 to 35 of the ESM treaty.)

And so the political dispossession of the citizenry has, for the moment, reached its climax. It started out much earlier, at the latest with the introduction of the euro. This currency is a result of political horse-trading that has meted out punishment indifferently to all the economic preconceptions of such a project.

The people will finally wake from their political siesta

Far from acknowledging and correcting the birth defect of the design, this regime of saviors insists on staying the course at any cost. The unvarying assertion that there is “no alternative” denies the explosive force of the widening differences among the participating nations. The consequences have been emerging for years: cleavage instead of integration, resentment, animosity and recriminations in place of understanding. “If the euro fails, Europe fails” – with this ludicrous slogan a continent of half a billion people is committed to the adventure of an isolated political class, as if two thousand years of history were mere small beer next to a newly invented paper currency.

The so-called Euro crisis is proving that the situation cannot rest at the political expropriation of citizens. It is leading, by its own logic, to its counterpart: economic dispossession. Only when the economic costs come to light will it become clear what that means. The people of Madrid and Athens pour out onto the streets only when they have, literally, no other choice. This will not fail to spread to other regions.

What metaphors politicians adorn themselves with, whether they baptise their latest shapeshifter a “rescue umbrella” (a bail-out), a bazooka, Big Bertha, euro bonds, fiscal-, banking- or debt union, does not matter: when they have to reach into their pockets, the people will finally wake up from their political siesta. Sooner or later, they suspect, they will have to answer for everything that the rescuers have wrought.

The number of possible options is limited. The simplest way to liquidate the debt – and savings – is through inflation. Tax hikes, pension cuts and compulsory levies may also be considered, however. As a last resort, currency reform may even be on the table – a proven method of punishing small savers to shield the banks and shrug off the obligations of state budgets.

European policy has mocked the principle of subsidiarity

No straightforward way out of the trap is looming over the horizon. All carefully hinted possibilities so far have been successfully blocked. The talk of a multi-speed Europe has died away unheard. Diffidently proposed opt-out clauses were never written into a treaty. But above all, European policy has mocked the principle of subsidiarity – an idea that is much too obvious for it ever to be taken seriously.

This foreign word means no more and no less that, from the municipality to the province, from the nation-state to European institutions, the authority closest to the citizen must always regulate everything it is capable of, and that each higher level may be left only those regulatory powers that otherwise cannot be exercised. As the history of the Union shows, this principle was merely an empty word.

A bleak outlook, one might say? Good times for disaster enthusiasts who are heralding not just the collapse of the banking system, the bankruptcy of indebted countries and, preferably, the end of the world! Like most prophets of doom, however, these soothsayers are probably rejoicing too soon. For five hundred million Europeans will not be ready simply to give up without a fight.

This continent has already instigated and survived entirely different and much bloodier conflicts than today's crisis. We will not be able to back out of the blind alley the ideologists of disenfranchisement have led us into without costs, conflicts and painful restrictions. In this situation panic is the worst advisor, and he who thinks Europe is singing its swansong does not know its strengths. The motto is from Antonio Gramsci: “Pessimism of the Intellect, Optimism of the Will.”

Translated from the German by **Anton Baer**

Updated October 12, 2012, 6:59 a.m. ET

OECD Chief: ECB Credibility at Risk

By [CHRISTOPHER EMSDEN](#)

Pressure on Spain to delay its request for help driving down sovereign borrowing costs is eroding the credibility of the European Central Bank's new "bazooka" program, the OECD Secretary-General Angel Gurría told The Wall Street Journal.

TOKYO—The delay in actually deploying the European Central Bank's new backstop offer for troubled euro-zone nations is eroding confidence that the so-called "bazooka" will work, the head of the Organization for Economic Cooperation and Development warned Friday.

Spain, the lead candidate to tap the new European bailout scheme, is being subjected to "schizophrenic" political pressures, simultaneously being urged to apply for help and being told such a move would be unwelcome, Angel Gurría said in an interview.

The apparent delay raises questions about the efficacy of the euro zone's plan, according to Mr. Gurría. "It already is eroding credibility," he said.

Euro-zone countries have been told they must formally request aid from the European Stability Mechanism, a fund without about €500 billion (\$646.4 billion) in firepower but whose use will be flanked by the ECB as it has pledged potentially unlimited purchases of shorter-term sovereign debt through the Outright Monetary Transactions approved last month.

"The ESM is the fuse, while the ECB is the bazooka," Mr. Gurría said, noting that a central bank's balance sheet has no obvious limits. "Market participants need to know the ECB is not afraid to do it."

Investors and citizens alike may turn against European assets if confusion over whether euro-zone members can fend for themselves continues, he said. "Time has a cost, it creates uncertainty and losses," he said.

Spain, and Italy, too, "have done all the right things but they're being penalized by the market" despite the establishment of institutions—the ESM, the OMT, and moves toward banking union—aimed at ending doubts about regional public debt, he said. "There need to be incentives, but it seems there's no reward for virtue."

The ECB's OMT plan is unusual since it simultaneously aims to correct problems in monetary policy transmission while also requiring that governments adhere to strict fiscal conditions.



Agence France-Presse/Getty Images

OECD Secretary-General Angel Gurría speaks on Sept. 24 in Rome during a conference on structural reforms in Italy.

Countries facing high borrowing costs "just want the ECB to do its job," Mr. Gurría said. Political pressure from Germany made adding conditions inevitable, but even so, it should be made clear that the conditionality asked of Spain "would be very close to what they're doing already," he said.

The situation has left Spain—and potentially Italy—in a kind of limbo, "paying through the nose" to refinance its economy even as unemployment rises due to a painfully abrupt belt-tightening, he said.

"If you're in that position for too long, I'd even say 'Go to your creditors,'" said Mr. Gurría. That would mean negotiating a form of sovereign debt restructuring, perhaps extending maturities to avoid cash outlays and further capital flight from the country, said Mr. Gurría, a top negotiator in Mexico's peso crisis two decades ago.

Restructuring sovereign debt is anathema to euro-zone officials after the chaotic experience with Greece, which may have to negotiate further changes to the terms of its public debt even after private investors took steep write-downs.

Linking the ECB's euro backstop with fiscal rules may force the ECB "to face a question that is not very ECB-like" in deciding what to do if countries fail to comply, said one senior banker who was involved on the other side of the table from Mr. Gurría in Mexico's restructuring.

So long as the new OMT is inactive, uncertainty may persist as the ECB's "exact approach isn't yet physical," said David Mulford, vice chairman of Credit Suisse's international activities.

The EU and the Nobel Peace Prize

Hmmm

Oct 12th 2012, 11:27 by Charlemagne

WHEN the Nobel committee awarded its peace prize to Barack Obama in 2009, many wondered why it had been given to a man who, still at the start of his presidency, had not yet achieved anything. Today many might ask themselves why the it has been awarded to an institution whose most ambitious project, the euro, is failing so badly. As one wag put it on Twitter, “Note that the EU does NOT win the Nobel Economics Prize.”

The crisis may yet destroy the euro and, with it, much of the European integration project. It is creating economic pain in the most troubled countries. The unemployment rate in Greece and Spain has passed 25%. Resentment is growing between creditor and debtor countries. Protesters in Greece this week greeted Angela Merkel dressed in Nazi uniform.

Across the EU, popular support for the European project is falling. Britain is openly talking of loosening its ties with the union. Mario Monti, Italy's prime minister, wants to convene a summit to combat falling support for European integration. In Norway, where the prize announcement was made, a spokesman for the Nobel committee admitted public support for joining the EU was at an all-time low.

So the Nobel committee's prize is really meant as a reminder of what the EU has achieved in helping to transform Europe “from a continent of war to a continent of peace”. And it is meant as a warning not to let it be swept away in the face of the “emergence of extremism and nationalism”.

The Nobel committee gave a potted history of the EU's achievements, from its origins in the Coal and Steel Community, designed, in the words of the-then French foreign minister, Robert Schuman, to “make it plain that any war between France and Germany becomes not merely unthinkable, but materially impossible”. By taking in Spain, Portugal and Greece it helped consolidate democracy in countries emerging from dictatorship. And after the fall of the Berlin Wall in 1989 the EU helped bring about the transition of central and eastern European countries from communism. Today, said the Nobel committee, the word of spreading peace and democracy is focusing on the Balkans.

But this is an incomplete reading of history. Surely NATO and the presence of American forces has been an equally, if not more important factor in keeping the peace in Europe through the decades of the cold war. And it was intervention by America more than Europe, be it as the EU or individual countries, that eventually put a stop to the bloodletting in the ex-Yugoslavia. Still, the prize is a fillip for a European project that has been valuable in consolidating peace, but had lost its way in the crisis.

As always in the cacophony of the EU, the many “presidents” rushed to rejoice over the news. There were statements from Jose Manuel Barroso (president of the European Commission, the EU's civil service), Herman Van Rompuy (president of the European Council, representing leaders) and Martin Schulz (president of the European Parliament).

Mr Barroso said: “I have to say that when I woke up this morning, I did not expect it to be such a good day....The award today by the Nobel Committee shows that in these difficult times the European Union remains an inspiration for countries and people all over the world and that the international community needs a strong European Union.”

The question is Brussels was which (or how many) of the leaders of the many-headed EU would travel to Oslo to collect the prize. The Nobel committee wisely said the decision was for the EU to take.

From the European Parliament, British politicians fell over each other to mock the announcement. Nigel Farage, leader of the UK Independence Party, declared: “This goes to show that the Norwegians really do have

a sense of humour. The EU may be getting the booby prize for peace because it sure hasn't created prosperity. The EU has created poverty and unemployment for millions.”

Martin Callanan, the British Conservative frontman who scarcely sounds different to UKIP, chimed in: “The Nobel committee is a little late for an April fools joke. 20 years ago this prize would have been sycophantic but maybe more justified. Today it is downright out of touch...The Nobel Peace Prize was devalued when it was given to newly-elected Barack Obama. By giving the prize to the EU the Nobel committee has undermined the excellent work of the other deserving winners of this prize.”

Interview with Italian Prime Minister Mario Monti

'A Front Line Between North and South'

In a SPIEGEL interview, Italian Prime Minister Mario Monti says Europe is showing traces of a "psychological dissolution" in the debt crisis and that leaders are doing too little to stop it. He also warns that governments cannot allow themselves to become "fully bound" to parliament in determining policies to save the euro.

SPIEGEL: Mr. Prime Minister, the euro is once again under pressure and voices speaking of a possible breakup of the common currency zone are growing louder. Have you completely given up on the idea of having a summer vacation?

Monti: I only have six days and I hope they don't disappear. Still, I am rather serene when I look at the summer. There is, of course, still a risk when it comes to Greece ...

SPIEGEL: ... because it appears that bankruptcy is unavoidable ...

Monti: ... but following a long period of preparation, we achieved good results on the whole at the most recent European Union summit at the end of June -- resolutions that should give the markets a better idea of how solid the euro zone really is.

SPIEGEL: But they haven't helped to reduce pressure on Italy and Spain. Last week, European Central Bank head Mario Draghi announced that the ECB is prepared, possibly together with European bailout funds, to [buy sovereign bonds](#) from indebted member states, but only at an undefined point in the future. Are you disappointed with the bank's hesitation?

Monti: I can only welcome the ECB's statement that the market for sovereign bonds in the euro zone is undergoing a period of "severe malfunctioning." It is also true that some countries face "exceptionally high" costs in financing their debt. That is exactly what I have been saying for some time. It is self-evident that banks are pulling back behind their national borders, making it even more difficult for those countries that are suffering from market mistrust. These problems must be solved quickly so that there can be no further uncertainty regarding the euro zone's ability to withstand the crisis.

SPIEGEL: Do you not think that the solution presented by the ECB reduces the pressure on the affected countries to clean up their state finances?

Monti: No. If you read the requirements of the European bailout funds, or even just last Thursday's ECB statement, you would have to admit that such concerns are unfounded. That is exactly the kind of distrust that has prevented us from embarking on a clear path toward a solution. We have to quickly surmount that and begin trusting one another once again.

SPIEGEL: Is there a reason to do so?

Monti: I think there is. Italy's current government has ensured a rapid reduction of the budget deficit, has passed structural reforms and has improved growth potential. Despite great sacrifice, Italians have accepted this course.

SPIEGEL: There is significant skepticism in Germany regarding ECB sovereign bond purchases. Can you not understand that those who back the bank are concerned about taking on unlimited guaranties?

Monti: The decisions facing Germany right now are not easy and I understand the difficulties German politicians are facing. To remain functional within a common currency, all countries would have had to implement reforms and arrange their budgets in a way that doesn't place a burden on others. That is why the progress that has already been achieved is so important to guarantee budgetary discipline -- like with the fiscal pact, for example.

SPIEGEL: That hasn't yet been of much help to the euro.

Monti: We have all made mistakes, even with the formation of the euro, even in an early phase when France and Germany in 2002 and 2003 [violated the rules](#) imposed by the Stability and Growth Pact and became poor examples for others. We now have to create a more responsible currency union.

SPIEGEL: That is exactly why you were asked to take on a leadership role in Italy. At last now, Rome is once again an important player in Europe.

Monti: For several years, we apparently didn't play a central role. I think it is completely normal that the third-largest economy in the euro zone has now become more active when it comes to reaching consensus on decisions facing the union.

SPIEGEL: Your meeting with French President François Hollande and Spanish Prime Minister Mariano Rajoy last week sparked concern that a southern alliance was being created to better counter demands coming from the north.

Monti: Between the two meetings, I was also in Finland. Of the three countries, I spent the most time there. In this case, it is not about north and south, it is about the currency used by 330 million Europeans. The more cohesively we act, the quicker we will find our way back onto a safe path, with fewer costs for all of us. Just now, I spoke on the telephone with Chancellor Angela Merkel, who invited me to Berlin at the end of August.

SPIEGEL: In general, however, it would seem that relations between the Italians and the Germans are somewhat clouded. Many are complaining about German rigidity and arrogance. How do you explain this atmosphere?

Monti: That has indeed been very unsettling for me in recent months and I told Chancellor Merkel of increasing resentment here in parliament -- against the EU, against the euro, against the Germans and sometimes against the chancellor herself. That, though, is a problem that goes beyond just Germany and Italy. The tensions that have accompanied the euro zone in recent years are showing signs of a psychological dissolution of Europe. We have to work hard to put a stop to it. If we were to compare Europe to a cathedral, then the euro would be its most perfect spire to date.

SPIEGEL: One which we, unfortunately, are afraid might come crashing down.

Monti: If the euro becomes a factor promoting Europe's drifting apart, then the foundation of the European project is destroyed. That is why it is the utmost duty of national leaders to explain to their people Europe's true situation and not to give in to old prejudices.

SPIEGEL: Do you believe that this problem is still solvable?

Monti: Yes and in this regard there is also a front line between North and South, there are mutual prejudices. That is very disquieting and we need to fight it. I am certain that most Germans have instinctive liking for Italy, just as Italians admire Germans for their many qualities. But I also have the impression that the majority of Germans somehow believe that Italy has already received financial aid from Germany or the European Union, which simply is not the case. Not a single euro.

SPIEGEL: How would you explain to a small business owner in Germany, who is already liable for diverse bailout packages with his or her tax money, that that person would, indirectly through the European Central Bank, have to provide guarantees for a restructuring of a bankrupt bank in Siena?

Monti: I would try to explain to that person that the reality sometimes looks totally different from the perception that one has of something. The reality is namely also that Italy, in relation to its economic size has more or less provided the same percentage of aid for Greece, Ireland, Portugal and more recently the Spanish banking sector as Germany. But also just take a look at the net benefit of this aid.

SPIEGEL: You mean that aid for the indebted states also benefits Germany?

Monti: Much of what Germany and France have done in the rescue of Greece has also helped German and French banks, who for a long time were major creditors for Greece and Greek banks. That practically doesn't apply to Italy at all, though. Seen in this way, Italy has not only not been the recipient of any aid, but we have actually given more than France or Germany if you consider the net return. This year our national debt will amount to 123.4 percent of our gross domestic product. Without the aid payments, it would be 120.3. I would explain that to a German businessman.

SPIEGEL: And you believe the German businessman would buy that?

Monti: I would also explain to him that Germany also profits from the fact that sovereign bonds in the Federal Republic of Germany are so cheap and that they can at times even be issued with negative interest rates. It is because of the risk of a euro collapse that the difference between Italy's interest rates and those of Germany is so great. In this way, the high interest rates that Italy is now having to pay are subsidizing the low ones that Germany pays. Without this risk, Germany would pay somewhat higher rates. In addition, no one can deny that Germany, simply because it is big, so productive and so efficient, is the greatest beneficiary of the common market.

SPIEGEL: Are you certain that a breakup of the euro zone is still preventable?

Monti: Yes, it is still possible, but it isn't just going to fall out of the sky.

SPIEGEL: But it also doesn't appear that the problems are going to be solved by continuing to flood them with more money. That creates breathing room for a few days, but then the pressure on the financial markets increases again. Is it possible to break this vicious cycle?

Monti: Yes.

SPIEGEL: Without constantly throwing fresh money at it?

Monti: Correct, that can't be. It would help if the communication following euro-zone decisions were improved.

SPIEGEL: But the issues here are the mountains of debt and not press conferences.

Monti: But there are these mistakes with not completely identical information being distributed that leads to new turbulence on the markets. However, much more serious is the fact that there are a few countries -- and they lie to the north of Germany -- who every time we have reached a consensus at the European Council (the EU body representing the leaders of the 27 member states) then say things two days later that call into question this consensus.

SPIEGEL: You are now referring to the Finns as well as others?

Monti: I can understand that they must show consideration for their parliament. But at the end of the day, every country in the European Union has a parliament as well as a constitutional court. And of course each government must orient itself according to decisions made by parliament. But every government also has a duty to educate parliament. If I had stuck to the guidelines of my parliament in an entirely mechanical way, then I wouldn't even have been able to agree to the decisions that were made at the most recent (EU) summit in Brussels.

SPIEGEL: Why not?

Monti: I was given the task of pushing through euro bonds at the summit. If governments let themselves be fully bound by the decisions of their parliaments without protecting their own freedom to act, a breakup of Europe would be a more probable outcome than deeper integration.

SPIEGEL: Silvio Berlusconi boasts of fighting communism in Italy. How do you want to be remembered by Italians and Europeans?

Monti: If everything goes according to plan, I will remain in office until April 2013, and I hope that I can rescue Italy from financial ruin by then -- and this with moral support from a few European friends, led by Germany. But I will also say very clearly: moral support, not financial. And, finally, I hope that Italy will simply become a little bit more boring to outside observers. If Germany and other countries are interested in ensuring a future for the current policies in Italy, then ...

SPIEGEL: ... they should make more concessions to Italy?

Monti: Again, not with financial aid. But they should allow a bit more leeway to those states in the euro zone that follow European guidelines the most closely.

SPIEGEL: Your relationship with Angela Merkel, who many saw as the loser of the last summit, is now back on solid footing?

Monti: We maintain a very friendly, cordial relationship. We have known each other for many years and I have been very pleased with the recognition I have received from both the chancellor and from Finance Minister Wolfgang Schäuble for the progress made in Italian politics.

SPIEGEL: A few weeks ago, when your predecessor Silvio Berlusconi said that he too had a cordial relationship with the chancellor, she quickly had a denial issued.

Monti: Then we can sit back and wait to see if another denial is forthcoming.

SPIEGEL: Mr. Prime Minister, we thank you very much for this interview.

Interview conducted by Fiona Ehlers and Hans Hoyng

NYT October 11, 2012

Executives' Missteps Doomed Aerospace Merger

By [NICOLA CLARK](#)

PARIS — No sooner had negotiations over the would-be aerospace mega-merger of BAE Systems and European Aeronautic Defense & Space collapsed than the recriminations began.

It was never going to be a sure bet, given the complexities of the two companies' operations and the political sensitivities that are almost always stirred by the prospect of a cross-border combination of high-flying industrial champions.

But regardless of what the companies obviously felt was a compelling rationale for the deal, which they called off on Wednesday, analysts and industry executives say the [EADS](#) and BAE managements may not have fully fathomed that their merger mission was as much diplomatic as economic. In any case, once word of the negotiations leaked out and made headlines on Sept. 12, months of back-channel discussions with government leaders were suddenly thrust onto a public political stage, where German opposition ultimately doomed the deal.

Whether Thomas Enders, the German chief executive of EADS, might have eventually been able to get his home government's sign-off if the discussions had remained quiet, is anyone's guess. After all, in midsummer he had received a green light from Berlin to engage in exploratory talks with BAE, according to people involved in the negotiations. But after the news leak triggered a British regulation that put a 28-day deadline on the negotiations, the companies were in a race against the clock.

"The speed of states isn't the speed of commerce," said Olivier de France, a defense policy analyst at the European Council on Foreign Relations.

The precise consequences of that failed exercise for the companies and for the affected countries are still unclear and may not become apparent for months. Investor confidence has been shaken, at least temporarily, in Mr. Enders, and in Ian G. King, his counterpart at BAE. Some wonder whether the two companies, having found less fertile ground in Europe than hoped, might begin to set their future sights for growth abroad.

"I think it could create some question marks as to where investment is placed in the future," said Howard Wheeldon, director of policy at the British arms industry trade body ADS.

In refusing to grant the merger its full blessing, without attaching strings the companies would not accept, Germany judged that the country had more to lose — in prestige and in future jobs — than to gain. And for that, some blamed not only the German chancellor, Angela Merkel, but the rough-edged Mr. Enders as well.

"Tom is an industrialist, not a statesman," said one person close to the negotiations, who spoke only on condition of anonymity because the discussions were supposed to have remained confidential. If Mr. Enders erred, this person said, it was in "trying to serve the interests of his company and ignoring those of his government."

Others gave Mr. Enders significant points for trying. "This will go down on his résumé as a failure," said Alexandra Ashbourne-Walmsley, a military and aerospace consultant in London. "But it was quite a bold move and showed he was not prepared to be a stooge."

Since EADS's creation in 2000 from a combination of French, German and Spanish aerospace assets, its management — under Mr. Enders and his predecessors — has chafed at the frequent attempts by government stakeholders to influence decisions at the company. So it is no small irony that the merger plan — which would

have expressly limited the states' power to a veto of hostile takeovers — was brought down by exactly the kind of political interference he had hoped to end.

“This is proof of concept that European integration and cooperation doesn't work,” huffed one frustrated EADS executive, who insisted on not being named for fear of political repercussions. “Parochialism is not the way forward.”

To be sure, the talks were also bedeviled by a couple of bad breaks.

The first came just weeks after the two companies had quietly informed the British, French and Germans in July of their interest in pursuing a merger and had received the governments' O.K. to try hammering out a deal, people involved in the negotiations said. Mr. Enders had been expected to accompany Mrs. Merkel on a trade mission to China in late August. But after he fractured both of his arms in a hang-gliding accident, he was forced to bow out of the trip, losing a prime chance to quietly lobby for her support of the merger.

Barely two weeks later, news of the talks was leaked to the press. Because BAE is a London-listed company, the leak triggered strict British rules that oblige the parties in a potential merger or takeover to make public a detailed offer to within 28 days — or walk away for at least six months.

Leaks about merger negotiations are so rampant in European investment banking circles that companies systematically draft a “leak announcement” — containing the broad outlines of the deal — whenever discussions begin in earnest. Both BAE and EADS had ones at the ready, which they issued within hours of the first headlines hitting the newswires. But from that point, the companies were forced to woo the three governments in the full spotlight of the news media intent on every twist and turn in a potential \$45 billion deal.

Some analysts said the public pressure might have heightened concerns in Berlin that supporting the merger could have risked high-technology jobs in Germany — a gamble Mrs. Merkel and her party might have been unwilling to take before federal elections next year.

“Because the industry and the commercial actors don't have the same shackles as the institutional actors, they are always a step ahead, trying to lead the way forward while politicians are lagging behind,” said Mr. de France, of the foreign relations council.

Now the two companies will be under pressure to convince investors that their businesses still have a healthy future as stand-alone entities. But analysts expect them to continue trying to expand in emerging markets like China, India, Brazil and the Middle East in search of customers — especially in the military arenas — given the steady pressure on defense budgets in Europe and the United States.

In entering into talks with BAE, EADS — the parent company of Airbus, the commercial aircraft maker — “effectively admitted weakness, explicitly acknowledging Airbus's cyclical nature,” said Nick Cunningham, an aerospace analyst at Agency Partners in London. “A failure to get it done now leaves EADS exposed to the wrong side of a cycle on both sides of its business,” he said, “given the outlook for European defense budgets and the civil aerospace cycle.”

For BAE, “the failed merger will leave the firm much more exposed to uncertain factors beyond its control, such as major declines in the U.S. defense budget and potential losses in an increasingly competitive international defense market,” said David Reeths, director of consulting at IHS Jane's, a consulting and analysis firm.

Others were reluctant to rule out the possibility that EADS and BAE could eventually try again.

“I think there is probably going to be another opportunity, perhaps in six months to a year, for them to have another go at this,” said Mr. Wheeldon of ADS. “I don't think the curtain is fully down,” he said. “This is a chance for all the actors to draw a very big breath and perhaps think again.”

EU budget

A tale of three Europes

11 October 2012

[Gazeta Wyborcza](#) Warsaw

Three parallel Europes inhabit the EU, each with its own goals. And the single budget, which used to unite them, is increasingly a source of division and, in the long run, will be unsustainable.

[Jacek Pawlicki](#)

The first Europe, hit by the debt crisis, closes ranks to save itself from disaster. This it does with more or less success, but for now at least it has held together.

The second Europe stands on the sidelines, nervously looking at how things are going on in the first one. It does not want to join Europe no. 1 yet, because it does not know whether the latter will survive, and joining would mean costs. But it worries that if the first Europe does survive, the gap between them will widen too much. And that when it eventually joins the first Europe, it will have no say in it. Schizophrenia.

The third Europe is not really Europe anymore. It lives in the shadow of its former glory, covered by the patina of an empire, convinced of its own uniqueness and ability to survive without Europe no. 1 and no. 2. It is dominated by national egoism. That is why the third Europe warns the first and second ones that it will not hesitate to block their progress if it has to defend its own interests. Because interests come before anything else.

The first-Europe countries are trying to push forward the integration and coordination of their economic policies, tightening the control of the stronger countries over the weaker ones in the process. Europe no. 2 is trying to control what is happening in Europe no. 1, because we all ride in the same train. Europe no. 3 is happy that there has been a split, because it has long wanted to go its own way.

Britain increasingly marginalising itself

It is not hard to guess who is who in this story. The first Europe is the eurozone – seventeen countries that have adopted a common currency for better and for worse. The second Europe are the non-eurozone countries: Scandinavia and the new member states, notably Poland. Most of them, with the exception of Denmark, have no choice but to eventually join the euro – but no one knows when this will happen.

The third Europe is Great Britain. Great by name only, hard hit by a crisis, contending with Scottish separatism, increasingly marginalising itself in the EU. David Cameron, the Conservative PM, said during his party's rally this week that if need be, he would veto the entire 2014-2020 EU budget.

The community budget had so far united the three Europes, but is now beginning to divide them. Berlin is proposing a separate budget for the eurozone, that is, Europe no. 1. Germany pays, so it demands. Leaks to German press suggest that at this point it could amount to 20 billion euros. Even officials responsible for Poland's EU policy admit that sooner or later such a budget will be created. Poland would rather, of course, that it happens later rather than sooner, and that creating a second budget does not mean shaving the first one. Alas, this is unlikely. The British will help, eagerly blocking the budget to reduce their contribution to the EU's joint finances.

So a single budget for three Europes is indefensible. What Poland can and should do is try and delay the budgetary bifurcation. And become part of Europe no. 1 as soon as possible. Assuming there is still something to join.

Eurozone

Monetary union continues its painful progress

11 October 2012

[Le Monde](#) Paris



[Mayk](#)

With the entry into force of the stability mechanism and the consensus on plans for a banking union, the Eurozone has compensated for the “birth defects” of the single currency, albeit at the price of a widening rift with other member states.

As a spectacle, it is hardly alluring. And only insiders can grasp this ongoing construction of Europe in all its difficulty and complexity. But what is happening, once again, in the painful throes of the crisis, is the slow transformation of the Eurozone into a fully fledged monetary union. This is a necessary and positive development.

The 17 member states which use the single currency are on the road to the budgetary harmonisation, without which a monetary union cannot work. On Tuesday 9 October in Paris, [the National Assembly ratified](#) the Treaty on Stability, Coordination and Governance – only Europe could delight in such poetic terminology. On Wednesday, French MPs [adopted the organic law](#) that will implement the "golden rule".

In everyday language, this is a budgetary pact that obliges signatories to ensure that their public finances tend towards equilibrium. With regard to another barbarous term – the “structural deficit” – the pact will introduce a measure of flexibility in procedures to pursue this objective.

At the start of this week, the Eurozone saw the [entry into force of the European Stability Mechanism](#). With the capacity to deploy up to 700 billion euros, the ESM is a kind of European Monetary Fund. It will come to the aid of countries that are unable to finance their debt on the markets, or which are in need of funds to recapitalise their banking sectors. Finally, Europeans have now embarked on a course towards the common supervision of their banks.

Cameron wants to take advantage of the change

Budgetary harmonisation, financial solidarity and banking union: progress towards these goals has been laborious. And the social cost is high, at least in the short term, as Angela Merkel may have seen in the course of her [visit to Athens on Tuesday](#). The Spanish, whose pride is in the wrong place, are reluctant to call on the ESM. The Germans have no desire to have Europe "supervise" their banks. The French have a genetic aversion to the very idea of budgetary equilibrium etc.

But it was high time. To keep the euro, we had to correct what the founding fathers had botched: an unbalanced way of working that exploded at the first asymmetric shock. There can be no monetary union without a budgetary union, a banking union and financial solidarity. Now we will have to act quickly to add an

indispensable democratic component: one way or another, the management of this triptych will have to be placed under the control of the elected representatives of the 17 Eurozone states.

It is perfectly respectable to reject this leap forward in economic harmonisation. But if you do, you have to say no to the euro. The British Prime Minister was telling the truth when he noted on the BBC on Sunday that Europe will no longer work with just one budget. There will be one for the Eurozone with advanced transfer mechanisms, and another more limited one for all of the union. David Cameron wants to take advantage of the change to renegotiate much looser terms for [his country's participation in the union](#).

No doubt, this was inevitable: with the making of the monetary union, another Europe has begun to come apart. We will now have a core Europe in the Eurozone, as well as a second wider, but much less constraining, Europe. There will be many more late nights to come in Brussels.

IWF-Jahrestagung

Schäuble und IWF streiten über Griechenland

FAZ 11.10.2012 · Bundesfinanzminister Wolfgang Schäuble lehnt einen weiteren Schuldenschnitt für Griechenland ab. IWF-Chefin Christine Lagarde will Athen zwei Jahre mehr Zeit für das Reformprogramm geben

Von [Manfred Schäfers](#), Patrick Welters



© dpa Auf Konfrontationskurs: Christine Lagarde fordert mehr Zeit für die Griechen

Zwischen dem Internationalen Währungsfonds (IWF) und Deutschland bricht ein Konflikt über die weiteren Schritte im Rettungsprogramm für Griechenland auf. Bundesfinanzminister Wolfgang Schäuble lehnte zu Beginn der Jahrestagung des IWF in Tokio Überlegungen im Fonds zu einem weiteren Schuldenschnitt für Griechenland ab. „Das ist einer der Vorschläge, der nicht zielführend ist“, sagte Schäuble. Sehr zurückhaltend äußerte er sich auch zur Forderung des IWF, Griechenland zwei Jahre mehr Zeit für seine Reformen zu geben.

Solche Spekulationen seien nicht hilfreich. Christine Lagarde, die geschäftsführende Direktorin des IWF, hatte zuvor gefordert, Griechenland solle für sein fiskalisches Anpassungsprogramm zwei Jahre mehr Zeit erhalten. „Es ist manchmal besser, ein wenig mehr Zeit zu haben“, sagte Lagarde auch mit Blick auf Spanien. Schäuble begründete seine Ablehnung eines Schuldenschnitts mit dem Widerspruch, einerseits Schulden teilweise zu streichen, andererseits aber weitere Kredite zu geben.

Fast alle europäischen Mitgliedstaaten hätten in ihren Rechtsordnungen klar geregelt, dass man einen Kredit oder eine Garantie nur dann an einen Schuldner ausreichen dürfe, wenn einigermaßen gewährleistet ist, dass der Kredit zurückgezahlt oder die Garantie nicht in Anspruch genommen werde. Dies sei nach einem Schuldenschnitt öffentlicher Gläubiger kaum möglich. Damit wären weitere Finanzhilfen ausgeschlossen, auf die Griechenland aber angewiesen sei.

Vorgaben müssten realistisch sein

Für Diskussionsstoff sorgte zu Beginn des Treffens in Tokio auch die Herabstufung Spaniens durch die Ratingagentur Standard & Poor's. Sie verringerte Spaniens Schuldnerqualität auf die Note „BBB-minus“, unter Hinweis auf die sich vertiefende Rezession, die die Möglichkeiten der Regierung zur Krisenabwehr begrenze. Wie viele Finanzoffizielle in Tokio war Lagarde schon zuvor der Frage ausgewichen, ob sie Spanien oder Italien empfehle, bei der Europäischen Zentralbank um ein Reformprogramm verbunden mit dem Ankauf von Staatsanleihen durch die EZB zu ersuchen. Die Entscheidung liege bei den Mitgliedstaaten, sagte Lagarde. Der IWF warnt, dass eine Aktivierung des Programms auch durch Bedenken von Geberländern blockiert werden könne. Das zielt auf Deutschland.

Die Forderung des IWF nach mehr Zeit für den Defizitabbau in Athen gründet darin, dass die Vorgaben realistisch sein müssten. Mit der tieferen Rezession und den Reformverzögerungen durch die Wahl ist danach

der bisherige Zeitpfad nicht zu halten. Mehr Zeit für Griechenland bedeutet zugleich, dass in dem Reformprogramm ein Finanzloch gestopft werden müsste. Ein abermaliger Schuldenschnitt könnte Griechenland helfen, die für Kreditauszahlungen der Fonds nötige Schuldentragfähigkeit zu erlangen. EZB und IWF schließen jedoch für sich eine Beteiligung an einem Verzicht aus. Als Idee steht im Raum, dass sich die Europäer zur Linderung der Schuldenlast mit noch niedrigeren Kreditzinsen zufriedengeben könnten.

Der amerikanische Finanzminister Timothy Geithner hielt sich in Tokio bislang mit Kritik an der europäischen Krisenpolitik zurück. Er lobte, Europa stehe besser da als noch vor einigen Monaten, weil es sich mit dem Rettungsfonds ESM und dem Anleihekaufprogramm der EZB auf einen Rahmen zur Krisenbekämpfung geeinigt habe. Europa stehe eine lange schwierige Zeit der Reformen bevor. Indiens Finanzminister Palaniappan Chidambaram forderte im Namen der G-24-Gruppe von Schwellenländern, Europa müsse sich zusammenreißen, weil seine Krise auf die Entwicklungsländer ausstrahle.

Geithner sagte, die Vereinigten Staaten hätten nach der Wahl im November ein „Zeitfenster“, um eine Strategie zum balancierten Defizitabbau zu verhandeln. Um Schuldentragfähigkeit zu erreichen, müssten sie das Defizit um 2 bis 3 Prozent des BIP kürzen. Das sei „eine moderate Herausforderung im Vergleich zu dem, was die meisten Länder auf der Welt fiskalisch bewerkstelligen müssen“.

Quelle: F.A.Z.

10/11/2012 02:30 PM

The World from Berlin

EADS-BAE Failure a Wasted Chance for Europe

The failure of the massive merger of EADS and BAE shows more clearly than ever the degree to which politicians influence the European defense industry. The Continent missed a prime opportunity to fix the problem, argue German commentators.

With defense budgets being cut in Europe and in the United States, the EADS-BAE merger certainly would have made sense from a business point of view. Over several months of negotiations, however, it became clear that it was not politically palatable. The final nail in the coffin, driven in on Wednesday, had been just a matter of time for weeks.

Had it succeeded, [the merger](#) would have created an aerospace-defense giant, with up to €72 billion in annual sales and an international workforce of 220,000 employees. Its failure, however, says less about defense industry economics in 2012 than it does about the high hurdles facing tighter political and economic cooperation in Europe.

Ultimately, the deal failed because Germany, France and Britain could not agree about the level of state involvement in the post-merger company. Paris, which owns a minority stake in EADS, insisted on a similar stake in the new company. Berlin, which owns no direct stake in [EADS](#) but exerts control via German automaker Daimler's stake, insisted it have just as much influence as Paris. And Britain was skeptical of any state ownership at all. Instead of becoming a model for deeper European economic cooperation, the failed merger has become a warning of the significant role national interests still play in the European Union.

On Wednesday, Germany was the target of initial finger pointing. Berlin, it was said, backed out because it was concerned about being forced to share its leading role in technology and engineering with France and Britain. It shouldn't come as a surprise. Germany has long shown interest in exerting a greater role in EADS. Indeed, the state-owned KfW Bank will now take over Daimler's stake to shore up German government influence in the company.

German editorialists would have liked to see the trend move in the opposite direction, though. A prime opportunity was lost to remove some of the political influence over EADS, they write on Thursday.

Business daily **Financial Times Deutschland** writes:

"The strife focused primarily on where the company would be located, on power sharing and on national interests From the perspective of the companies involved, there were good arguments in favor of the merger. The two firms complement each other well, together they would have become a world leader with access to growth markets outside of Europe. But the last few weeks showed clearly what happens when too many governments want to have a say and influence the decision. That alone was enough of a concern. The new giant would have been a highly political entity. As such, it is good that the specter has passed."

Center-left daily **Süddeutsche Zeitung** writes:

"The disaster of the failed merger shows that EADS is still under state control to a greater degree than is generally obvious -- and to a greater degree than EADS CEO Thomas Enders wants people to believe. More than ever, management's hands are tied when it comes to significant strategic decisions. That is a mistake. The merger with BAE would have been an opportunity to leave such outdated structures behind."

Business daily **Handelsblatt** writes:

"The failure of the EADS-BAE merger means that an excellent chance to consolidate the European defense sector has been wasted. In the wake of such a debacle ... who will venture a new attempt to bring together the fragmented sector under the roof of an industry giant? Nobody."

"Yet market consolidation is overdue. Almost every European country has its own defense sector. In Germany, for example, both Rheinmetall and Krauss-Maffei Wegmann build tanks. They have competitors in France, Italy, Spain, Sweden and Great Britain. Such a situation may guarantee innovation as a function of the difficult competition. But it is one thing above all else: expensive and inefficient. In good times, Europe could afford such a situation. But we are not living in those times."

Conservative daily **Die Welt** writes:

"It would have been good for continental Europe to combine its defense industry with that of Britain in order to better compete with the US. But instead of supporting the project, the German government became bogged down in questionable positions that made little sense. Why was it so important to have just as many shares as the French when such a minority ownership stake of 9 percent would not have included any special rights?"

"The great opportunity of partially depoliticizing EADS, as CEO Enders intended, has been wasted. There will be collateral damage."

-- *Charles Hawley*

10/11/2012 05:25 PM

Growth Warning

Top German Economists Say Greece Is Lost

Several top German economic institutes on Thursday warned that German growth is slowing as the country continues to be hampered by the ongoing euro-zone debt crisis. And Greece, they say, will be unable to "free itself from its debt burden" and will need another haircut.

Chancellor Angela Merkel had been hoping that [her trip to Athens earlier this week](#) would help demonstrate Germany's solidarity with Greece as it struggles to overcome its debt crisis. Just two days later, however, leading economic institutes in Germany have darkened the mood considerably. The institutes presented their autumn economic forecast on Thursday, and cast doubt on whether Greece would be able to remain part of the euro.

"We believe that Greece cannot be saved," said Joachim Scheide from the Kiel Institute for the World Economy, one of several top economic institutes tasked by the German government with examining the state of the country's economy twice a year.

Oliver Holtemöller, of the Halle Institute for Economic Research, was also pessimistic at the Thursday press conference called to present the evaluation. He said it is unlikely that Greece will ever be able to [free itself from its debt burden](#) -- and called for a new debt haircut for the country.

The idea is not likely to go over well. Any new restructuring of Greek debt would necessarily involve the country's international creditors rather than solely affecting private investors as last spring's €100 billion haircut did. On Thursday, German Finance Minister Wolfgang Schäuble rejected a debt-haircut proposal by the International Monetary Fund, saying it was not helpful. Euro-zone finance ministers also oppose the idea and the European Central Bank has said that forgiving the Greek debt it has on its books is out of the question.

Bad News for Germany and Europe

Alternatives, however, are few and far between. And that, combined with the threat of further euro-zone turbulence, the report makes clear, spells bad news for both the German and European economies.

Specifically, the report forecasts that German economic growth for 2012 will only end up being 0.8 percent, slightly down from recent predictions, and that growth next year will [likely be weak](#). Instead of the 2 percent previously forecast, the report released on Thursday now estimates GDP growth of just 1 percent in Germany in 2013. That growth, such as it is, will come almost entirely from exports, which are holding up, the report says.

But that is the best-case scenario, based on the assumption that the debt crisis in the euro zone does not worsen. The report's authors, however, do not believe the worst has passed. "The current evaluation of the German economy is based on the assumption that the situation in the euro zone ... will gradually stabilize and investor confidence will return. That, however, is in no way assured," the report reads. "Downside risk dominates ... and the danger is great that Germany will fall into recession."

Furthermore, Germany's top economic institutes made clear that they are dissatisfied with the [steps thus far taken](#) in the euro zone [to solve the ongoing crisis](#). First and foremost, the analysts repeated a demand made in earlier reports that the euro zone come up with a framework for ensuring orderly bankruptcy proceedings for member states. "Domestic debate in countries like Germany and Finland have made it clear that there is a decreasing willingness to increase aid payments or make transfer payments," they write. As such, they say "it makes more sense for creditors to take part in the costs of the crisis."

Inflation Warning

Report co-author Kai Carstensen, of the Kiel Institute for the World Economy, put it more clearly at the Thursday press conference. Referring specifically to the unlikelihood that Greece will be able to manage its debt burden anytime soon, he said, "it is time to draw the consequences: No to aid payments, yes to debt restructuring."

The report was also heavily critical of the [European Central Bank's plan to purchase unlimited quantities of sovereign bonds](#) from debt-ridden euro-zone member states on secondary markets. "The ECB is becoming the guardian of national budgetary policy and possibly even holds sway over the solvency of individual countries," the report reads. "In addition to the bank's independence, its credibility is also in danger."

Furthermore, the report adds, such behavior could [trigger high inflation](#), which would seriously damage the ECB. "Should higher rates of inflation result, it will be extremely difficult to re-establish the ECB's credibility," the report says. Still, for 2013, the research institutes forecast a modest inflation rate of 2.1 percent.

cgh -- with wire reports

IWF-Chefvolkswirt Blanchard

„Ich verstehe die Logik der Deutschen nicht“

FAZ 11.10.2012 · Nach Ansicht von Olivier Blanchard, Chefvolkswirt des Internationalen Währungsfonds, sollte die Preissteigerung in Deutschland mehr als 2 Prozent betragen. Die Angst der Deutschen vor Inflation hält er für übertrieben.



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Zwei ist nicht genug: Olivier Blanchards Inflationsrechnung

Herr Blanchard, können Sie uns in einem Satz die Lage der Weltwirtschaft beschreiben?

Die Erholung der Weltwirtschaft dauert an, aber sie hat sich abgeschwächt. Wir sind nicht in einer Rezession, aber das Wachstum ist deutlich zu schwach. Es reicht nicht aus, die Arbeitslosigkeit in den Industrienationen zu senken.

Droht Europa wegen der Euro-Krise ein verlorenes Jahrzehnt, wie Japan es erlebt?

Es gibt Grund zur Sorge, und man muss vorsichtig sein. Wir wissen, dass Finanzkrisen im Gegensatz zu einer normalen Rezession sehr lang andauernde Effekte haben. Sie scheinen mit ungewöhnlich schweren Schäden verbunden zu sein, die repariert werden müssen, und das braucht seine Zeit. Keine Frage, nach dieser Krise muss uns das japanische Beispiel beunruhigen.

Wiederholen wir die japanischen Fehler?

Sicher hat Japan nach dem Platzen seiner Finanz- und Immobilienblase Fehler gemacht. Mit den Banken haben sie nicht in angemessener Geschwindigkeit gehandelt. Die anfängliche hohe Abhängigkeit von staatlichen Wachstumsprogrammen war möglicherweise unklug, und die Geldpolitik nicht expansiv genug. Aber das sind Fehler, die sich im Nachhinein herausgestellt haben. Für die Eurozone bin ich optimistischer.

Warum?

Die geldpolitische Reaktion war viel stärker und viel schneller, viel transparenter und schlüssiger. Wir haben in Europa und in Amerika die Falle der Deflation vermieden. Mit den Signalen, die die Zentralbanken ausgesandt haben, haben wir es besser gemacht, denke ich. Auch für die Banken sieht es anders aus, obwohl es da noch viel zu tun gibt, besonders in Europa. Japanische Banken haben nach dem Platzen der Blase weiter Geld an Zombie-Unternehmen verliehen. Es hat lange Zeit gedauert, dieses Problem zu lösen, während die Leute, die einen Kredit benötigten, ihn nicht bekommen haben. Die Konsolidierung der Staatsfinanzen ist in Europa und den Vereinigten Staaten eingeleitet. Aus allen diesen Gründen bin ich optimistisch, dass die Dinge besser werden.

Aber das Potentialwachstum Europas und Amerikas liegt deutlich unter dem von vor der Finanzkrise.

Das scheint in vielen, wenn auch nicht in allen Finanzkrisen so zu sein. Es gibt eine große Unsicherheit darüber, wie stark der Schaden dieser Finanzkrise ist. Wenn Unsicherheit einer der Gründe für die

gegenwärtige Abschwächung ist, was ich glaube, und wenn die beschlossenen Maßnahmen diese Unsicherheiten beseitigen, dann kann sich das Wachstum besser entwickeln als in unseren Prognosen.

In Deutschland gibt es Sorgen, dass mit der geldpolitischen Lockerung eher die Inflation als das Wachstum angeheizt wird. Teilen Sie diese Sorgen?

Damit mehr Geld zu mehr Inflation führt, braucht es mehr Lohnerhöhungen. Davon ist zurzeit wenig zu sehen. Auf absehbare Zukunft wird die hohe Arbeitslosigkeit dies in den meisten Ländern wohl kaum zulassen. In Deutschland ist das anders. Da wird die niedrigere Arbeitslosigkeit früher zu höherem Lohnwachstum führen. Aber das ist richtig so. Ganz ehrlich, ich verstehe die Logik der deutschen Position nicht. Deutschland bekennt sich zum Ziel der EZB, eine Inflation von 2 Prozent zu erreichen. Das ist der erste Punkt. Und Deutschland glaubt zweitens, dass die Peripherieländer der Eurozone wettbewerbsfähiger werden müssen. So weit stimme ich mit beiden deutschen Positionen überein. In vielen Ländern wäre es besser, wenn ihre Inflation unter 2 Prozent läge, damit sie wettbewerbsfähiger würden. Und in den Peripherieländern läuft es auch darauf hinaus. Dann müssen die anderen Länder bei 2 Prozent Inflation in der Eurozone aber höhere Inflationsraten haben. Das ist einfach eine Sache der Arithmetik. Wenn wir null Prozent oder sogar weniger in den südlichen Eurostaaten haben, müssen Deutschland, Frankreich und andere mehr als 2 Prozent haben.

Wie viel Inflation wünschen Sie sich für Deutschland?

Wenn wir null im Süden haben, brauchen wir 4 im Norden, um die 2 Prozent in der Eurozone zu erreichen. Deutschland hat zudem einen großen Überschuss in der Leistungsbilanz. Es gibt aber keinen guten Grund dafür, warum die Deutschen einen solchen Leistungsbilanzüberschuss auf Dauer haben wollen. Leistungsbilanzüberschüsse sind nicht unbedingt ein Zeichen von Stärke, speziell dann nicht, wenn sie auf Zurückhaltung bei Löhnen und Investitionen basieren. Aus meiner Sicht wäre es die richtige Politik für Deutschland, die heimischen Investitionen zu beleben und damit zunächst den Überschuss in der Leistungsbilanz zu verringern. Das würde helfen, den Euro zu festigen und die Löhne zu erhöhen - und damit die Kaufkraft der Deutschen. Ich würde dabei auch nicht von Inflation sprechen, eher von einer Anpassung der relativen Preise. Wenn ich alles mit diesem Begriff erklärt hätte und nicht mit dem Wort Inflation, wäre es vielleicht leichter.

Sie glauben, es ist nur ein semantisches Problem?

Sobald Sie Inflation sagen, glauben die deutsche Öffentlichkeit und viele politische Entscheidungsträger aufgrund der historischen Erfahrungen, dass Inflation nur der erste Schritt zur Hyperinflation ist. Wir müssen sehr vorsichtig sein, aber ich sehe nicht das geringste Risiko für so etwas wie eine Hyperinflation, solange die EZB dem 2-Prozent-Ziel verpflichtet ist und ihre Unabhängigkeit unangetastet bleibt. Das ist sehr wichtig. In Deutschland wird die Inflation aber für eine Reihe von Jahren höher als 2 Prozent sein müssen, wenn der Lohndruck in der Peripherie weiter abnimmt. Das erhöht nicht nur die Kaufkraft der Deutschen, sondern trägt auch dazu bei, die Wettbewerbsfähigkeit der anderen Euroländer zu stärken.

Die Bundesbank würde Ihnen entgegnen, dass Überschüsse in der Handelsbilanz nicht planbar sind. Das sind unabhängige Entscheidungen von Käufern und Anbietern.

Man kann Investitionen mit guter Politik beeinflussen.

Haben Sie keine Sorge, dass die Zentralbanken in der Krise zu stark von der Politik unter Druck gesetzt werden?

Druck hat es immer gegeben. Ich bin aber nicht besorgt, dass die EZB zum Beispiel Anweisungen von Finanzministern entgegennimmt. EZB-Präsident Mario Draghi ist keine Inflationstaube und wird von keinem Minister Weisungen entgegennehmen.

Gefährden die Notenbanken ihre Unabhängigkeit, wenn sie in großem Stil Staatsanleihen kaufen?

Nein, das beunruhigt mich gar nicht. Früher hat man das als Offenmarktpolitik bezeichnet, und es war weit verbreitet. Wenn sich ein potentieller Inflationsdruck aufbauen sollte, bin ich sicher, dass die Notenbanken die Liquidität zurückführen werden und die Zinsen erhöhen, um sicherzustellen, dass die Inflation nicht ausufert. In der gegenwärtigen Lage müssen sie wegen der Notwendigkeit der Konsolidierung der Staatsfinanzen und der Zinsen nahe an null alle Wege nutzen, die sie haben, um die Wirtschaft zu unterstützen.

Die fiskalpolitischen Multiplikatoren waren nach IWF-Analyse in jüngster Zeit stärker als erwartet. Sollte statt der Geldpolitik die Fiskalpolitik stärker zur Bewältigung der Krise herangezogen werden?

Es ist nicht offensichtlich, dass starke fiskalpolitische Multiplikatoren darauf verweisen, man müsse mehr oder weniger Konsolidierung haben. Wir müssen über das Tempo der Konsolidierung der Staatsfinanzen entscheiden. Es ist jetzt aber nicht die Zeit für finanzpolitische Stimuli. Wir haben ein solches Niveau der Verschuldung, dass wir mit dem Feuer spielen würden.

Es gibt also keinen Raum für finanzpolitische Stimuli im Euroraum?

Nein.

Und in den Vereinigten Staaten?

Auch nicht.

In anderen Ländern?

In einigen Schwellenländern ist es möglich, so zu reagieren, wenn ihre Exporte schwächer werden. China ist so ein Land, das handeln kann.

Sie empfehlen zur Rettung der Währungsunion eine Bankenunion und eine Vergemeinschaftung von Haushaltsrisiken. Wäre der Druck des Marktes nicht der bessere Weg, die Krise zu lösen?

Nein, wir wissen, dass das nicht funktioniert. Der Druck des Marktes hat absolut nichts getan, bis es zu spät war. Und dann ist der Markt paranoid geworden und hat nach verrückt hohen Zinsen verlangt.

Und Eurobonds?

Eurobonds ohne Finanzregierung gehen nicht. Das ist wie bei einem IWF-Programm: Auf der einen Seite machen sie eine Finanzierung verfügbar, auf der anderen Seite gibt es Bedingungen.

In extrem unsicheren Zeiten wie diesen, wie fühlen Sie sich da eigentlich, wenn Sie Wachstumsprognosen abgeben?

Wir tun unser Bestes. Es ist ja nicht so, dass wir das alles verstehen. Aber wir wissen, dass wir nicht in normalen Zeiten agieren, und das berücksichtigen wir in unseren Berechnungen.

Die Fragen stellten Carsten Germis und Patrick Welter.

Quelle: F.A.Z.

NYT Editorial October 10, 2012

Ms. Merkel Goes to Athens

Chancellor Angela Merkel of Germany, [visiting Athens this week](#) at the invitation of Prime Minister Antonis Samaras, got a chance to see the suffering and anger of Greeks firsthand, brought about by budget policies imposed in exchange for a European Union bailout in the debt crisis. She acknowledged the sacrifices Greeks have already made, yet she insisted that only more austerity can lead to better days. She could not be more wrong.

As the European Union's dominant economic policy maker, Ms. Merkel has arguably exercised more power over Greece's fortunes during the past three years than any Greek prime minister. Three years of spending cuts imposed largely at her insistence have reduced Greece's gross domestic product by a staggering 25 percent and wrecked its mainstream political parties.

Tens of thousands took to the streets on Tuesday to protest Ms. Merkel's policies. At a joint news conference with Mr. Samaras, Ms. Merkel struck a conciliatory tone, but the policy substance was unchanged, even though the evidence refutes her position. Severe spending and public service cuts have failed to significantly reduce budget deficits or lower Greece's debt burden as a percentage of its fast shrinking G.D.P. Economic contraction has taken a huge bite out of tax revenues and forced much of the labor force into involuntary idleness. A country that is not working cannot pay off its debts and cannot offer much hope for the future. Official unemployment is now 24 percent and 50 percent for young people.

Following Germany's lead, the official lenders — the European Commission, the European Central Bank and the International Monetary Fund — [now insist on a package of more than \\$17 billion](#) in new tax increases and spending cuts and a new round of politically difficult market reforms before releasing the next \$40 billion installment of bailout money. Unless it receives that payment next month, Greece could be forced to default.

The budget cuts and market reforms the European institutions are now demanding could prove explosive in Athens. Greek voters are fed up with a scandal-plagued Greek political establishment that votes to impose sacrifices while using political influence to shield itself. They have been deserting the moderate center parties in growing numbers, flocking instead to radical alternatives on the extreme left, like Syriza, now the main opposition party, and the street thugs of Golden Dawn on the extreme right.

There are more palatable ways to help Greece achieve its deficit reduction targets, like giving it four years instead of two to meet those targets and negotiating debt write-downs on Greek loans from official institutions, as was earlier done with private lenders.

Either tactic might give Mr. Samaras a little more breathing room. **But what is really needed is abandoning the idea that austerity alone can ever extricate the euro zone from recession and debt.** Ms. Merkel may not want to spend much time reflecting on Greece's economic and political breakdown. **But without wiser German leadership, the future of the euro, and the European Union itself, looks increasingly bleak.**

Union bancaire : Paris et Madrid se liguent contre Berlin

Par [Alexandrine Bouilhet](#) Mis à jour le 10/10/2012 à 22:11 | publié le 10/10/2012 à 19:22 [Réactions](#) (35)



Mariano Rajoy et François Hollande, au Palais de l'Élysée, mercredi. Crédits photo : PHILIPPE WOJAZER/REUTERS

Une déclaration commune a été rédigée à l'occasion du sommet franco-espagnol mercredi, à Paris.

À une semaine du sommet européen de Bruxelles, Paris et Madrid font front commun face à Berlin sur le projet d'[union bancaire](#), très attendu par Madrid et les marchés, mais retardé par l'[Allemagne](#) pour des raisons de politiques intérieures.

[François Hollande](#) et [Mariano Rajoy](#) ont profité de leur sommet bilatéral, mercredi, à Paris, pour adresser un message d'avertissement à [Angela Merkel](#). «Il n'y a aucune raison que ce qui a été décidé en juin ne puisse pas être mis en œuvre en décembre», a déclaré François Hollande.

L'Allemagne veut retarder la mise en place d'un superviseur unique des banques européennes, première étape de l'union bancaire, initialement prévue pour la fin de l'année. L'autorité allemande de régulation financière a jugé que l'échéance serait sans doute repoussée d'un an, à 2014. Berlin veut limiter la supervision aux banques systémiques, sans doute pour épargner ses banques régionales, les «landesbanken», très liées aux milieux politiques régionaux, influents dans la campagne.

Pour l'[Espagne](#), un report du projet d'union bancaire est plus vital encore, car il empêchera la recapitalisation directe des banques espagnoles, arrachée de haute lutte au [Conseil européen de juin dernier](#). Faute de superviseur bancaire unique, l'État espagnol sera obligé de garantir sur ses propres deniers les fonds prêtés par l'Europe à ses banques en difficultés.

Défenseur des pays du Sud

La [zone euro](#) a donné son feu vert à une aide de [100 milliards d'euros pour recapitaliser les banques espagnoles](#). D'après l'audit bancaire indépendant et réalisé le mois dernier, l'Espagne n'aurait besoin que de 40 milliards d'euros de fonds européens. Une somme moins importante que prévu, mais qui alourdira tout de même la dette espagnole de 4%, alors que celle-ci dépassera déjà 90% du PIB l'an prochain. Surtout, sans recapitalisation directe des banques, le cercle vicieux entre crise bancaire et crise de dette d'État reste entier, ce qui pèsera sur les coûts d'emprunts de l'Espagne.

Dans la foulée du sommet de Malte, le président français semble bien décidé à endosser l'habit de défenseur des pays du Sud de la zone euro face à l'Allemagne intransigeante. «Nous sommes solidaires avec l'Espagne, car s'il n'y a pas de croissance en Espagne, cela fait moins de croissance en [France](#), s'il n'y a pas de liquidités en Espagne, cela a des conséquences en France. On est liés», a insisté le chef de l'État, qui plaide pour «l'intégration solidaire» en Europe, son nouveau leitmotiv.

Une fois n'est pas coutume, François Hollande se mue aussi en défenseur du lobby bancaire français, lorsqu'il exige que «toutes les banques soient contrôlées par la [BCE](#)» et pas seulement les plus systémiques. «On ne veut pas d'un système où 100% des banques françaises seraient contrôlées par la BCE, contre 10% seulement des banques allemandes!» explique un banquier français.

Financial Times July 29, 2012 8:08 pm

Europe's political union is an idea worthy of satire

By Otmar Issing

Recent history, and not just that of Germany, teaches us that the idea of sustaining an economic and monetary union over time without political union is a fallacy." Has former German chancellor Helmut Kohl, who gave this warning in 1991, been proven right by the [eurozone crisis](#)? Should Europe now seek political union?

Forming such a union implies nothing less than the end of the nation state. A European government would have to be created with powers of taxation and public spending, a corresponding European parliament and so on. There are powerful arguments why "Europe" – whatever this means and how many countries might be included – should have this ambition. However, to base the argument for integration primarily on saving monetary union is anything but convincing. And it is more than strange when foreign politicians and experts are pressing eurozone states to give up national sovereignty, out of fear that a collapse of monetary union might have severe consequences for their economies. Juvenal would have said: *Difficile est satiram non scribere* (It is difficult not to write a satire).

But, independent of any answer to these questions, political union is impossible to achieve within a few years. It cannot be a means of crisis management. And here comes the dangerous part: any proposals, for example, to extend the amount and scope of financial support mechanisms premised on further integration in the future. Promising later action against requests for more money now does not look like a credible strategy – quite the opposite. This approach would severely undermine the idea of establishing political union.

Take [eurozone bonds](#), which would lead to higher interest rates for government bonds in countries of (so far) good reputation in financial markets. The implicit transfer of taxpayers' money would be a violation of the fundamental democratic principle of no taxation without representation. This is true for all forms of debt mutualisation. This is hardly the proper way to create a democratic European Union.

Or take the idea of [banking union](#). There can hardly be any doubt that a monetary union should be accompanied by integrated financial markets. The concept of a banking union is based on European competences for bank supervision, for a resolution scheme and for deposit insurance. However, the latter two elements imply a need for a fiscal backing and therefore cannot be separated from fiscal and eventually political union. A clean-up of banking systems would have to precede the introduction of a European resolution fund and deposit insurance. Otherwise funds collected so far in national schemes would be socialised. This would not only undermine efforts by weak – to put it mildly – banks to break with the past, but would create an uproar in countries in which depositors would be effectively expropriated. This is hardly a way to foster identification with Europe.

In 2009, the EU's "[de Larosière report](#)" recommended that the European Central Bank become the home of macroprudential supervision (overall financial stability) but warned against giving it the power of microprudential supervision (individual banks' health). Besides administrative problems, we (I was a member of the group) saw potential conflicts with the ECB's fundamental task of monetary policy, namely price stability. "This could result in political pressure and interference, thereby jeopardising the [ECB's independence](#)," we wrote. Developments since the publication of the report have strengthened those concerns. Take the longer-term refinancing operations, which in effect worked as a rescue mechanism for weak banks. In such a context how credible would the ECB be as banking supervisor?

Political union is not the solution. All measures that implicitly pre-empt the establishment of political union are inconsistent and dangerous. They imply huge financial risks for a few member countries and could not only undermine honest efforts in the direction of political union, but also destroy the fundament on which such a process finally rests, namely the identification of the people with the European idea.

Is the collapse of the eurozone therefore unavoidable? This is a risk that can no longer be denied but there is a viable alternative. The eurozone is based on treaties and commitments that were unfortunately broken time and again with the consequence of a deep loss of credibility. Can confidence be restored? A monetary union of sovereign states cannot function without the principle of no bailout, which means that every country is responsible for its policies. Financial assistance must be based on strict conditionality and be given at interest rates that do not undermine the will to reform. As such, monetary union could survive without political union.

After so many disheartening experiences, is it not naive to expect that credibility for such a regime can be restored? Probably yes. But if trust in treaties and commitments cannot be restored, how credible are all the much more ambitious plans in the direction of political and banking union? It would be the peak of naivety to put the future of not only the eurozone, but also of Europe, on such shaky ground.

The writer is a former member of the executive board of the European Central Bank

NYT OP-ED October 10, 2012

Can Germany Save the Euro?

By DALIBOR ROHAC

Chancellor Angela Merkel of Germany was welcomed to Athens this week with signs saying: “[Angela don't cry. There is nothing left in the larder to take.](#)”

Although we may sympathize with ordinary Greeks who are suffering through a severe recession, double-digit unemployment and a government that cannot honor its spending obligations, that remains an uncharitable and misguided way of framing the problem.

Merkel did not visit Athens to pillage; she was there to try to help the Greeks.

In fact, if the euro is to survive, German policymakers have to play a much more assertive role in the governance of the euro zone. Moreover, other euro-zone countries need to learn to play along and abandon the mind-set of Germany as a quasi-colonial power. European countries need to learn to appreciate the value of fiscal responsibility and get serious about tackling their fiscal and structural problems.

There may be good reasons why not all European nations can be like Germany. The Greeks will not start paying taxes just because Merkel wishes they would. Interest groups, preventing structural reforms in countries on the euro zone's periphery, are not going to disappear overnight. More broadly, it is next to impossible to build credible institutions for economic prosperity by fiat.

But that only means that the euro zone needs stricter criteria for admitting new members, along with a mechanism that allows for real sanctions against members that misbehave.

Germany is the only nation that has the political capital to urge Europe to put in place such governance mechanisms. With its economic weight, Berlin is uniquely placed to assume a stronger leadership position in reshaping the governance of the euro zone.

To succeed, Germans need to revive the “ordoliberal” ideas that drove the postwar economic miracle of their country. **German ordoliberals** — exemplified by figures such as Wilhelm Röpke and Walter Eucken — **pioneered balanced budgets, independent monetary policy and competitive markets. All three are under attack in the present-day euro zone.**

The Germans need to learn to trust their instincts. They were right to be reluctant to grant the first bailout package to Greece in May 2010. Two years and two bailout funds later, if the Greeks don't receive the next €31.5 billion installment, they will run out of money by November.

It is becoming increasingly obvious that everyone involved would have been better off if the Greek government had been forced into debt restructuring upfront, even at the cost of imposing substantial losses on its creditors.

For the sake of saving the euro, Germans need to regain control of the European Central Bank. With Mario Draghi's bond-buying scheme, the E.C.B. has become a simple instrument of monetizing the debt of individual member countries. Instead of bailing out countries through the backdoor, the E.C.B. needs to return to its monetarist roots, and stabilize nominal spending in the euro zone.

This may mean more aggressive monetary policy than what has been pursued to date, **but it also means erecting a firewall between the E.C.B. and the temptation to serve the immediate liquidity needs of individual euro-zone governments.**

It is worth stressing that none of this implies deeper political integration of the Continent. A banking union is emphatically not the solution to our current illness. Nor is a fiscal union.

As **Otmar Issing**, a former member of the E.C.B.'s executive board, put it in the Financial Times, both ideas are “worthy of satire,” as they **“imply huge financial risks for a few member countries and could ... destroy the fundament on which such a process finally rests, namely the identification of the people with the European idea.”**

Europe does not need a closer political union — it just needs a union that work.

It is not too late to start doing the right thing. If applied consistently and with vigor, German ordoliberalism can save the euro and lay the foundations for economic prosperity on the Continent. **But if Merkel misses the this window of opportunity, Europe's economic prospects will be bleak.**

Dalibor Rohac is an economist at the Legatum Institute in London.

10/10/2012 06:06 PM

Merkel's Blackout

German Energy Plan Plagued by Lack of Progress

By SPIEGEL Staff

Germany plans to abandon nuclear power by 2022, but its government hasn't been doing enough to ensure that the project succeeds. Needed infrastructure and technology is lacking, and coordination is a mess. Meanwhile, weary consumers are paying more for electricity, and the supply is in jeopardy.

German Economics Minister Philipp Rösler is standing in the boiler room of a row house in the town of Hönow, near Berlin. He doesn't look at all pleased with what he's seeing: an un-insulated heating pipe. What a waste of money and energy!

The owner of the building, Petra Rölfke, 54, and her partner Hartmut, 58, look embarrassed. But the minister has some good advice for them. Wrapping a little foam insulation around the pipe would help save a lot of energy, he says, adding: "I have the same kind of pipe in my house."

In fact, says Rösler, he has a good mind to drive to the local hardware store and take care of the matter himself, along with replacing the old, inefficient light bulbs he saw while touring the house. He also didn't fail to notice the antiquated tube television set in the living room. "A lot can be done here," says the minister, giving the couple his final verdict.

With the government driving up the price of electricity, Rösler seems to feel an urge to make himself useful by dispensing advice on how to save money and energy. On Monday, grid operators announced a significant increase in electricity prices in Germany, prices that are already the second-highest in Europe.

The price hike is the result of an assessment under the Renewable Energy Act (EEG), a sort of green-energy solidarity surcharge that is automatically added to every consumer's electricity bill. Under the agreement reached in the last round of negotiations, the assessment will increase from 3.6 cents to 5.4 cents per kilowatt hour.

With the new rates, German citizens will be paying a total of more than €20 billion (\$25.7 billion) next year to promote renewable energy. This is more than €175 for an average three-person household, a 50 percent increase over current figures. And then there are the additional charges a consumer pays for the electricity tax, the cogeneration assessment, the concession fee and value-added tax.

The development is an embarrassment to Germany's coalition government, made up of Chancellor Angela Merkel's center-right Christian Democratic Union (CDU), its Bavarian sister party, the Christian Social Union (CSU), and the pro-business Free Democratic Party (FDP). In recent months, the government has denied claims that the gradual transition to green energy could cost German citizens a load of money.

Broken Promises

In a government statement issued in June 2011, Chancellor Angela Merkel promised that prices would remain stable. "The EEG assessment should not increase above its current level," she told the German parliament, the Bundestag. Economics Minister Rösler said that there could even be "room for decreases." The environment ministers, first Norbert Röttgen and then Peter Altmaier, behaved as if Germany's phase-out of nuclear energy

was not going to cost anything, even as they handed out billions in subsidies to owners of homes with solar panels and wind-farm operators.

Merkel must now deal with the consequences of her statement that the energy turnaround was to be the most important domestic project in the legislative period. Within a few hours after the nuclear reactor disaster in Fukushima in March 2011, she had transformed herself from a proponent into an opponent of nuclear energy. At the time, most Germans supported the chancellor. But now, more than a year later, they are losing confidence in her ability to get it right. German politician and EU Energy Commissioner Günther Oettinger says that he doubts "whether German consumers will accept rising electricity prices resulting from the energy turnaround in the long term."

The rising cost of electricity is also a burden on businesses. According to Oettinger, energy costs now represent the biggest liability for Germany as a place to do business, especially in light of the marked increase in the number of blackouts and voltage fluctuations in the grid.

Consumer advocates view the electricity price as a social issue, not unlike the price of bread in ancient Rome. The Paritätischer Gesamtverband, an umbrella association for social-welfare groups, estimates that about 200,000 recipients of benefits under the Hartz IV welfare reform program for the long-term unemployed saw their power shut off last year because of unpaid bills. The VdK, Germany's largest welfare organization, uses the term "electricity poverty" and is sharply critical of what it sees as a "glaring violation of basic social rights." According to the VdK, it is unfair that citizens are being asked to bear much of the burden of costs and risks associated with the energy turnaround.

Wasted Time and Money

This Wednesday, Environment Minister Altmaier plans to unveil a proposal on how to move forward with legislation designed to promote green energy. Members of the Bundestag from the ruling coalition want to exempt a growing number of companies from the green energy assessment. FDP parliamentary floor leader Rainer Brüderle is calling for a moratorium on new roof-based solar modules and wind turbines. Meanwhile, the center-left Social Democratic Party (SPD) and the Green Party are discussing whether energy providers should be compelled to offer special rates for low-income customers. Economics Minister Rösler, whose visit to a boiler room in Hönow marked the beginning of a new promotional campaign, wants to encourage citizens to conserve energy.

The central question in all of this is whether the money coming from electricity consumers is being spent wisely. If the federal government wants to have all of Germany's nuclear power plants phased out by 2022, why is it doing so little to ensure that the project will succeed?

Billions are currently being spent on the unchecked expansion of solar energy -- a technology that contributes the least to a reliable power supply in Germany, which isn't exactly famous for abundant sunshine. The comparatively efficient building renovation programs, on the other, have come to a standstill because the federal and state governments have been quarreling over funding for more than a year now. There is far too little storage capacity to serve as a buffer against the fluctuating supply of wind and solar energy. In addition, there are no conventional replacement power plants in the works. In fact, energy utilities are thinking about shutting down existing plants.

A Massive Mess

Instead of agreeing on a concept for the energy turnaround, the parties in the ruling coalition are arguing over who is responsible for the program. Economics Minister Rösler, of the FDP, is laying claim to the expansion of the grid. Environment Minister Altmaier, of the CDU, sees himself as being in charge of renewable energy projects -- as if the two things could function without each other. And then there are Transportation Minister Peter Ramsauer (CSU) in charge of site planning, Research Minister Annette Schavan (CDU) heading up storage-technology efforts, and Agriculture Minister Ilse Aigner (CSU) looking after biofuel issues. Vanity and proportional representation are also factors in the mix.

Meanwhile, Germany's 16 federal states are developing their own concepts, some of which are at odds with each other. Bavarian Governor Horst Seehofer says that his state plans to develop a self-sufficient energy supply. But David McAllister, the governor of the northern state of Lower Saxony, has a plan based on supplying Bavaria with large amounts of electricity from wind farms off the North Sea coast.

What some grid operators, power plant owners and scientists are doing today is nothing short of flabbergasting. There are power plants that are not connected to the grid, power masts without lines, and power lines leading to nowhere.

"There is still quite a lot to do here," Rösler said when he emerged from the boiler room in Hönow. Petra Rölfke, the owner, nodded. Rösler added that he couldn't have imagined so much waste. "It's crazy, isn't it?"

Grids: Connection Problems

For centuries, people have been drawn to places with cheap energy. First, they searched for firewood and peat. Later, they built their mill wheels along rivers and streams. When they discovered large coal reserves in the regions along the Ruhr and Saar Rivers, they built the first industrial plants there.

It is a bold step for the federal government to be making the energy supply of the future dependent on offshore wind farms in the North and Baltic Seas. In the coming years, hundreds of wind turbines will be rammed into the sea floor far off the coast. When everything is finished, the offshore wind farms are expected to satisfy one-sixth of Germany's electricity needs.

Unfortunately, the electricity is not needed as urgently along the thinly populated coast, but rather in the distant southern states of Baden-Württemberg and Bavaria. The two states have large populations and industry, as well as a number of nuclear power plants scheduled to be shut down soon. For this reason, the federal government's decision to expedite the expansion of offshore wind power means that new power lines will have to be built, at a cost of €20 billion to €37 billion -- the most expensive infrastructure project since German reunification.

A master plan already exists. It can be found on a wooden shelf in room H 5015 at the Federal Network Agency in Bonn, and it consists of six ring binders and a large number of accompanying folders. All of the power masts and corridors that are to be expanded or newly built in the next 10 years are marked on foldout maps.

The problem is that the southern states are not particularly excited about receiving electricity from the wind farms in northern Germany. Bavarian Governor Seehofer talks about self-sufficiency and investing billions in the regional energy supply, including solar, hydroelectric and biofuel plants. Even Russian energy conglomerate Gazprom is being considered as a possible partner in the development of what Seehofer calls a "Bavaria plant."

Owing to such remarks, RWE and the other large electric utilities now believe that the first north-south lines may not even be needed anymore when they go into service in a decade. They argue that Bavaria and Baden-Württemberg will not be importing nearly as much electricity as the federal government's expansion plans envision. Indeed, one of Germany's biggest infrastructure projects could become one of its biggest "bad investments," says Lorenz Jarras, an energy expert at the RheinMain University of Applied Sciences. In other words, the carefully devised master plan could prove to be overpriced and inefficient.

Even the Federal Network Agency has its doubts. In one report, the agency concludes that smaller, decentralized plants will generate far more energy than large power plants in the future.

In an expert opinion, the German Institute for Economic Research (DIW) suggests that more thought should be given to the connection of offshore wind farms to the onshore power grid. The report recommends more effective coordination between government planners in the north and the south. Instead, says Jarras, "anything that generates electricity is being connected without regard for the economic costs."

In fact, Germans are even expected to pay for connecting offshore wind farms that aren't producing any electricity. To make investing in these projects more attractive, the federal government has issued new liability

rules. If there are delays in connecting a wind farm to the grid -- for example, owing to a lack of cables for use in deep waters -- electricity consumers will now be footing the bill instead of the companies. The costs of such delays are already estimated at about €1 billion. Sources in the government say that weather-related issues are expected to cause more problems this winter.

Wind : Resisting Change

Richard Lübsen, 69, a farmer from Wangerland in northern Germany's Friesland region, has long believed in the power of nature. In 1993, Lübsen had a wind turbine erected next to his farm. The 500-kilowatt, 54-meter (177-foot) turbine attracted a lot of attention, and on the day it went into operation, Lübsen served sausages and sauerkraut to curious onlookers.

The investment has paid off for Lübsen. The money he made by selling electricity at highly subsidized rates helped him survive a mad cow disease crisis. "It's a good feeling to look out the window in the morning and see the rotor turning and hear it humming," he says. Not surprisingly, many of his neighbors have followed suit and installed their own turbines.

But now the pioneers of the energy revolution are standing in the way of progress. Wangerland Mayor Harald Hinrichs would like to build a new wind farm with significantly more powerful turbines. The proposed project would produce at least two-and-a-half times as much electricity as the turbines in place today.

But the condition is that the old turbines have to be dismantled first, a process known in the industry as "repowering." The goal is to install the most efficient wind turbines available in the best locations for wind power, which makes sense. The costs are comparatively low, and the adverse effects on the landscape would not be excessive, even though the new wind turbines would be taller.

But a few owners of old turbines in Wangerland are refusing to cooperate because the old turbines are profitable and have already been paid for. This makes Lübsen and his neighbors skeptical, even though they would receive a bonus for installing a new turbine. "It's very difficult to reconcile the interests of the owners of the old turbines, the landowners, the local residents and us," says Mayor Hinrichs, referring to the local government. The mood is toxic in the village, with some residents only communicating with each other through their attorneys.

Marcel Raschke, a lawyer with Repowering InfoBörse, a Hanover-based information exchange on upgrading wind turbines based, can name many other examples. He provides advice on behalf of the German Association of Towns and Municipalities and the federal government, a challenging task. "Unfortunately, repowering is much more costly and tedious than building new facilities on undeveloped land," he says.

The planning process isn't made any easier by the fact that Environment Minister Altmaier is responsible for the wind turbines while the turbine sites themselves are the responsibility of Ramsauer, the minister of transport, building and urban development. As a result, the most cost-effective and efficient way to produce green energy is making no headway. According to a survey by the consulting firm Deutsche Windguard, some 13,750 old wind turbines in Germany are candidates for repowering. In the first six months of this year, all of 15 were replaced with 10 new ones.

Efficiency: Ignored and Delayed

When EU Commissioner Oettinger gets upset, he tends to speak so quickly that he swallows syllables. On a morning a few weeks ago, he was eliminating entire words when the attendees at a convention heard him sputtering things like "nothing but people getting on their soapboxes," "constant opposition" and "rarely seen anything like it."

Oettinger is upset about how much energy is wasted in Germany, especially in buildings. Under an EU directive, member states are supposed to renovate 3 percent of their public buildings a year. But Germany isn't playing along, as states and municipalities are balking at the expenses. They are important players, as they own thousands of buildings and residential units.

The sad truth is that Germany spends billions on wind turbines and solar panels, only to see a significant portion of the energy lost through poorly insulated windows.

The roughly 18 million residential buildings in Germany represent a substantial potential for energy conservation. About 70 percent of these structures were built before 1979, that is, before Germany's first ordinance on thermal insulation came into effect. Most of these buildings lack insulation in outside walls, floors and ceilings. If they were retrofitted, their energy consumption could be reduced by two thirds, estimates the Munich-based Research Institute for Thermal Insulation (FIW).

This is precisely how much Deutsche Bank has been saving since it renovated both towers of its headquarters building in Frankfurt. The renovation cost about €200 million, and now the façade is triple-paned, a solar heating system generates hot water for heating purposes, and a computer controls the lighting.

The latest amendment to the German Energy Savings Regulation (EnEV) of 2007 shows how little attention politicians pay to efficiency. The amendment merely includes a minor tightening of requirements for new construction. A draft bill that would allow house and apartment owners to deduct the costs of renovating old buildings from their taxes has been held up for the last year in the Mediation Committee, which acts as an intermediary between the Bundestag, the lower chamber of Germany's parliament, and the Bundesrat, the upper chamber representing the interests of the states. Fearing the loss of tax revenues, the states have blocked the bill.

Energy Commissioner Oettinger argues that the lost revenue would be more than offset by the additional revenues for state governments generated by the work involved in renovating old buildings. For Oettinger, a member of the center-right CDU, the quarrel over the issue between the Bundestag and the Bundesrat is "almost embarrassing."

Power Plants: Forced to Lose Money

A kaiser still ruled Germany when the Franken 1 power plant generated electricity for the first time, almost 100 years ago. The plant was in fact slated for closure, but because of the energy turnaround, Franken 1 has been allowed to remain in operation.

This coming winter, on days when the sun isn't shining and there is no wind, Bavarians could very well count themselves lucky that the old plant is still connected to the grid. The plant can produce more than 850 megawatts of electricity on short notice, says plant manager Wolfgang Althaus, albeit at a high cost.

Franken is part of the so-called cold reserve of the German energy supply. As long as there isn't enough storage capacity, virtually every solar plant and every wind turbine has to be backed up by a conventional power plant. Without this double structure, the power supply would collapse.

At the same time, however, the boom in subsidized renewable energy is ensuring that conventional power plants are no longer profitable. Since the law requires that preference be given to green energy, if it's available, gas-, oil- and coal-fired power plants frequently have to be shut down to avoid overloading the grid. This reduces their revenues while increasing costs because powering plants up and down consumes a lot of fuel and inflicts additional wear and tear on the equipment.

In the past, power plant operators were able to charge higher electricity prices around midday. But now there is more competition from solar plants at this time of day. On days when there is a lot of wind, the sun is shining and consumption is low, market prices on the power exchange can sometimes drop to zero. There is even such a thing as negative costs, when, for example, Austrian pumped-storage hydroelectric plants are paid to take the excess electricity from Germany.

The prospects are so poor that energy providers have little interest in building new power plants. Under current conditions, even the most modern and efficient combined steam and gas power plants are not recovering billions in investment costs.

"It's hard to justify building new conventional power plants in this difficult transitional phase," says RWE CEO Peter Terium. If companies had their way, they would also demolish old plants like Franken 1.

The Economics Ministry is drafting a new regulation under which power plant operators could be forced to keep their old plants connected to the grid. But the companies won't stand for that. Although they are willing to make short-term compromises, they are not about to keep any power plants connected to the grid in the long term if "they don't recover their capital costs," Terium says.

What this amounts to is that companies will be compensated in the future for keeping their backup power plants up and running. As the government considers writing a bill to this effect, electricity consumers will once again be the ones to foot the bill.

Energy Storage: Too Little, Too Expensive

When workers at the ArcelorMittal steel mill dump a load of scrap iron into the blast furnace, yellow and white flames shoot out of the furnace, producing an infernal noise. The enormous amount of energy being consumed is almost physically palpable. The plant, in Hamburg's Finkenwerder district, consumes a billion kilowatt hours of electricity a year, or about as much as 250,000 four-person households. That number could become relevant in an emergency, like the one that occurred at the beginning of February.

With extremely cold temperatures gripping large parts of Europe, there was a spike in power consumption. Hamburg was on the verge of a blackout, says plant manager Lutz Bandusch. To keep the lights from going out in the city, he shut down the blast furnaces and rolling mills in Finkenwerder.

Instead of making money by producing steel, the plant operator was compensated for not producing it. It was a profitable arrangement for the steel mill. "It has to be worthwhile from an economic standpoint," Bandusch admits, even though he felt that it was somewhat odd to be getting paid to do nothing.

Several companies are currently negotiating with the Federal Network Agency over how much they will be paid to shut down their equipment in the event of an electricity shortage. Germany unfortunately doesn't have enough storage capacity to offset the fluctuation. And, ironically, the energy turnaround has made it very difficult to operate storage plants at a profit -- a predicament similar to that faced by conventional power plants.

In the past, storage plant operators used electricity purchased at low nighttime rates to pump water into their reservoirs. At noon, when the price of electricity was high, they released the water to run their turbine. It was a profitable business.

But now prices are sometimes high at night and low at noon, which makes running the plants is no longer profitable. The Swedish utility giant Vattenfall has announced plans to shut down its pumped-storage hydroelectric power station in Niederwartha, in the eastern state of Saxony, in three years. A much-needed renovation would be too expensive. But what is the alternative?

Batteries are also part of the government's plans, and €400 million in public funds have already been earmarked for related R&D. The industry also has high hopes for battery technology. But is this realistic?

For the fun of it, Florian Schlögl, director of the regenerative power plant department at the Fraunhofer Institute for Wind Energy and Energy System Technology (IWES) in the central German city of Kassel, calculated how large a battery would have to be to supply a city like Munich (pop. 1.38 million) with electricity for two or three days.

The answer, says Schlögl, depends on which battery technology is available. A cube-shaped lithium ion battery, such as the ones used in cell phones and laptops, would be 53 meters (174 feet) long on each edge. This would make it as tall as the roof of the Allianz Arena, where FC Bayern Munich plays its home games, and it would weigh 250,000 metric tons. The dimensions would be even larger in the case of a lead acid battery, such as those used in cars. A cube-shaped battery would be 93.3 meter long on each edge -- and Munich would have a new signature landmark.

Experts Agree on Goal but Question Path

The eastern state of Brandenburg has already created a similar landmark for itself. Last week, Germany's biggest solar park was inaugurated in the Märkisch-Oderland administrative district, sandwiched between Berlin and the Polish border. It can produce enough electricity to power 48,000 households, at least when the sun is shining. But, regrettably, it won't be generating electricity just yet because the project isn't connected to the grid. The power lines and transformer station won't be finished for a few more months.

There is a method to this madness. To maximize government subsidies, the operator of the solar park wanted to be finished before the end of September. This guarantees him 20 years' worth of subsidies under the old law, so waiting a few months before being connected to the grid doesn't make much difference to him.

In the next few years, electricity consumers will pay for more than €100 billion in subsidies for solar power. Additional billions will follow. Like its predecessor, the current CDU/CSU-FDP government has also bowed to the solar lobby. The latter's business model is still based on collecting as many subsidies as possible rather than on feeding as much usable electricity as possible into the grid.

Experts believe that the energy turnaround will be a failure if this continues. The committee tasked by Chancellor Merkel with monitoring the progress of the energy turnaround will present its first report in December. Initial statements suggest that its verdict will be highly critical.

When Andreas Löschel, the chairman of the committee, rides his bike to work at the Center for European Economic Research (ZEW) in the southwestern city of Mannheim, he passes an ancient power plant. Last winter, the chimneys there were belching smoke once again. The power supply would have been in trouble without the plant.

Löschel and his colleagues in the monitoring group believe that more solar roof panels and wind turbines make little sense as long as there isn't enough storage capacity. They warn that subsidies could end up distorting business decisions and result in mismanagement of the system. In their view, it is a questionable practice to saddle electricity consumers with the costs and risks, which in turn reduces public acceptance of the project. Georg Erdmann of the Technical University of Berlin, another member of the monitoring group, has calculated that the EEG assessment will increase to up to 10 cents per kilowatt hour unless the government does something about it.

Despite all the criticism, the experts still believe that the energy turnaround is the right thing to do. It just has to be done correctly, says Löschel.

When Environment Minister Altmaier was traveling this summer, he was often asked about the nuclear phase-out. In these conversations, his English-speaking counterparts matter-of-factly used *Energiewende*, the German word for the energy turnaround. The term has apparently become established worldwide.

Altmaier was pleased. But it remains to be seen whether talk of Germany's *Energiewende* will be taken as a compliment in the future, just as kindergarten and autobahn have entered the English language as largely positive terms, or whether *Energiewende* will become more of a derisive term, like "German angst."

REPORTING BY FRANK DOHMEN, MICHAEL FRÖHLINGSdorf, LAURA GITSCHIER,
ALEXANDER JUNG AND ALEXANDER NEUBACHER

Translated from the German by Christopher Sultan

The debt crisis

Lessons from history

Oct 10th 2012, 11:09 by Buttonwood

THERE is a fascinating [chapter](#) in the IMF's World Economic Outlook, looking at past episodes of high government debt-to-GDP ratios. It finds 26 occurrences since 1875 where developed country governments had gross debt ratios of more than 100%, and focuses on six particular examples; the UK after World War 1, the US after World War 2, Belgium in the 1980s, Italy and Canada in the 1990s and Japan over the last 20 years. These countries had varying degrees of success in getting their ratios down.

The worst example, and one highlighted by Martin Wolf in the FT today, was that of the UK between the wars. Fiscal contraction (in part inspired by a newspaper campaign for a "war on waste") was accompanied by very tight monetary policy as the UK attempted to restore sterling to its pre-war parity with the dollar (and gold). The idea was that the country needed to return to an Edwardian golden era, in which sound money and small government prevailed (admiration of the pre-1914 ethos is a lingering cultural trait; see Downton Abbey). Tight fiscal policy, high real rates and an overvalued exchange rate were a disastrous combination; the UK economy barely grew and the debt burden rose until 1933.

Does the UK example mean we should take no fiscal action, as some suggest? Japan has run persistent fiscal deficits without generating significant growth; its debt-to-GDP ratio has persistently risen. Some would say that Japan's monetary policy has been too tight. Although it has run zero nominal interest rates and used quantitative easing, deflation has meant that real rates have been positive. The yen has also been strong.

Canada's example in the 1990s, after one failed effort to cut its debt in the 1980s, is instructive in a different way. It enjoyed low real rates and a gently declining exchange rate, but it also benefited hugely from the US boom; exports contributed an average 3 percentage points to GDP growth between 1993 and 2000. Belgium and Italy had varying success in their debt reduction programmes; the former benefiting from low interest rates, the latter managing to run many years of primary budget surpluses. But after all their efforts, debt ratios are still high.

The US was probably the ideal example as it was able to use financial repression to keep interest rates low after the war, and the underlying growth of the American economy was strong. The fiscal deficit disappeared as the country emerged from war.

The IMF concludes that

fiscal consolidation efforts need to be complemented by measures that support growth; structural issues need to be addressed and monetary conditions need to be as supportive as possible.

Secondly, the IMF says that in successful cases

monetary easing also fostered exchange rate depreciation, which supported external demand and growth.

Thirdly the IMF says that

fiscal repair and debt reduction take time - with the exception of post-war episodes, primary deficits have not been quickly reversed.

On this point (and Britain's Ed Balls will be underlining this passage)

sustained improvements of more than 1 percentage point a year are rare, and this means that, when starting from a primary deficit, debt reduction takes a particularly long time

Finally, the IMF points out that

the external environment has been an important contributor to outcomes in the past. The implications for today are sobering - widespread fiscal consolidation efforts, deleveraging pressures from the private sector, adverse demographic trends, and the aftermath of the financial crisis are unlikely to provide (this) supportive external environment.

Exactly. There is a fallacy of composition problem here, in which everyone would like to cut their deficit, while hoping that a lower exchange rate will help them increase their export share, and thus prop up GDP growth. Of course the developed world could massively let its exchange rate fall relative to Asia, which could simultaneously go on a massive spending spree for Western consumer goods. To the extent this is happening (Asian current account balances have come down), it hasn't happened enough.

There are some issues that the IMF chapter might have discussed but didn't. In part, this flows from **its findings, along with Reinhart and Rogoff, that high debt-to-GDP ratios are associated with low growth.** But it also must be the case that high government debt ratios stem from persistent budget deficits, and these in turn imply a large role for the government in the economy. Does this make a difference to the effectiveness of fiscal stimulus? It seems intuitive that, whereas Eisenhower's building of the interstates made a long-term contribution to US growth, the measures adopted by the Japanese (concreting river beds etc) in the last 20 years have been less effective. Perhaps there are diseconomies of scale in government action.

Secondly, the IMF paper just uses numbers for government debt. but the examples of the last 20 years (Iceland, Ireland, Spain) shows that private sector (and particularly bank) debt is crucial, not least because it ends up on government balance sheets in the crisis. There was a lot less private sector debt before the liberalisation of financial markets in the 1970s and 1980s. Surely that is a factor.

Finally, the IMF concludes that this issue will take a long time to resolve. Back in 2010, when I wrote a debt [survey](#) in *The Economist* on this issue, I concluded that, **in the absence of rapid growth, the options were "inflate, stagnate or default"**. The developed world has spent the last two years failing to confront this choice, and as a result has been heading down the stagnation route. In part, this is because there has been a reluctance to take the pain of default; in Greece, only the private sector was asked to take the strain. And as for QE, to the extent that it can work in the long run (rather than just propping up asset markets and confidence in the short run) this must surely be by inflating away the debt, or at the very least by the financial repression seen after the war. **We may just be seeing, in the latest statements from Ben Bernanke and Mervyn King, a growing acceptance from central banks that inflation is the least worst way out of the mess.**

The great doubt has always been whether central banks will be able to pull this off, or whether markets will push up nominal interest rates in horror. **Of course, the great beauty of QE in this sense, is that central banks can just keep buying bonds and offset private sector sales. But you wouldn't want to be a small saver in this scenario.**

Au forceps, l'union monétaire européenne

LE MONDE | 10.10.2012 à 15h20 • Mis à jour le 10.10.2012 à 18h33

Par Editorial du Monde

Le spectacle est rarement séduisant. Et seuls les initiés peuvent le [suivre](#) tant l'[Europe](#) se construit, ces temps-ci, dans la peine et la complexité. Mais ce qui se passe, encore une fois dans la douleur et sous l'effet de la crise, c'est la lente transformation de la zone euro en véritable union monétaire. Evolution nécessaire et positive.

Les 17 pays membres ayant la monnaie unique sont sur la voie d'une harmonisation budgétaire, sans laquelle une union monétaire ne saurait [fonctionner](#). A Paris, l'Assemblée nationale a ratifié, mardi 9 octobre, le traité européen sur la stabilité, la coordination et la gouvernance - il n'y a que l'Europe pour [raffoler](#) d'appellations aussi poétiques. Mercredi, les députés [ont adopté le projet de loi organique](#) mettant en oeuvre la "règle d'or".

Traduit en langage courant, c'est un pacte budgétaire qui impose à ses signataires d'[avoir](#) des finances publiques allant vers l'équilibre. Sous une autre appellation barbare, celle de déficit structurel, le pacte introduit de la souplesse dans la poursuite de cet objectif.

Au début de la semaine, la zone euro a vu l'entrée en vigueur du Mécanisme européen de stabilité. Pouvant [mobiliser](#) jusqu'à 700 milliards d'euros, le MES est une sorte de Fonds monétaire européen. Il vient à l'[aide](#) des pays qui ont du mal à [financer](#) leur dette sur les marchés ou qui doivent recapitaliser leur secteur bancaire. Enfin, les Européens prennent le chemin d'une supervision commune de leurs banques.

Harmonisation budgétaire, solidarité financière et union bancaire : tout cela se fait laborieusement. Le coût [social](#) est lourd, à court terme au moins, comme Angela Merkel a pu le [percevoir](#) lors de sa visite, mardi, à Athènes. Les Espagnols, fierté mal placée, hésitent à [solliciter](#) le MES. Les Allemands n'ont aucune envie que l'Europe "supervise" leurs banques. Les Français sont génétiquement réticents à l'idée même d'équilibre budgétaire, etc.

Mais il n'était que temps. Si l'on veut [garder](#) l'euro, alors il fallait [corriger](#) ce que ses pères fondateurs avaient bâclé : un mode de fonctionnement bancal qui a explosé au premier choc asymétrique. Il n'y a pas d'union monétaire sans union budgétaire, bancaire et sans solidarité financière. Il faudra vite y [ajouter](#) l'indispensable complément démocratique : d'une manière ou d'une autre, la gestion de ce triptyque doit se [faire](#) sous le contrôle des élus des 17.

Il est parfaitement respectable de [refuser](#) ce saut en avant dans l'harmonisation économique. Mais, alors, il faut [dire non](#) à l'euro. Le premier ministre britannique parle vrai quand il relève, dimanche à la BBC, que l'Europe ne peut plus [marcher](#) avec un seul budget. Il y en aura un pour la zone euro, avec des mécanismes de transfert avancés. Et un autre, plus limité, pour l'ensemble de l'Union. David Cameron veut en [profiter](#) pour renégocier, de façon beaucoup plus lâche, l'appartenance de son pays à l'Union.

Sans doute était-ce inévitable : à mesure que se fait l'union monétaire, une autre Europe se défait. Il y aura un cercle resserré, la zone euro, et un autre, plus large mais beaucoup moins étroit. On n'a pas fini de se [coucher](#) tard à Bruxelles.

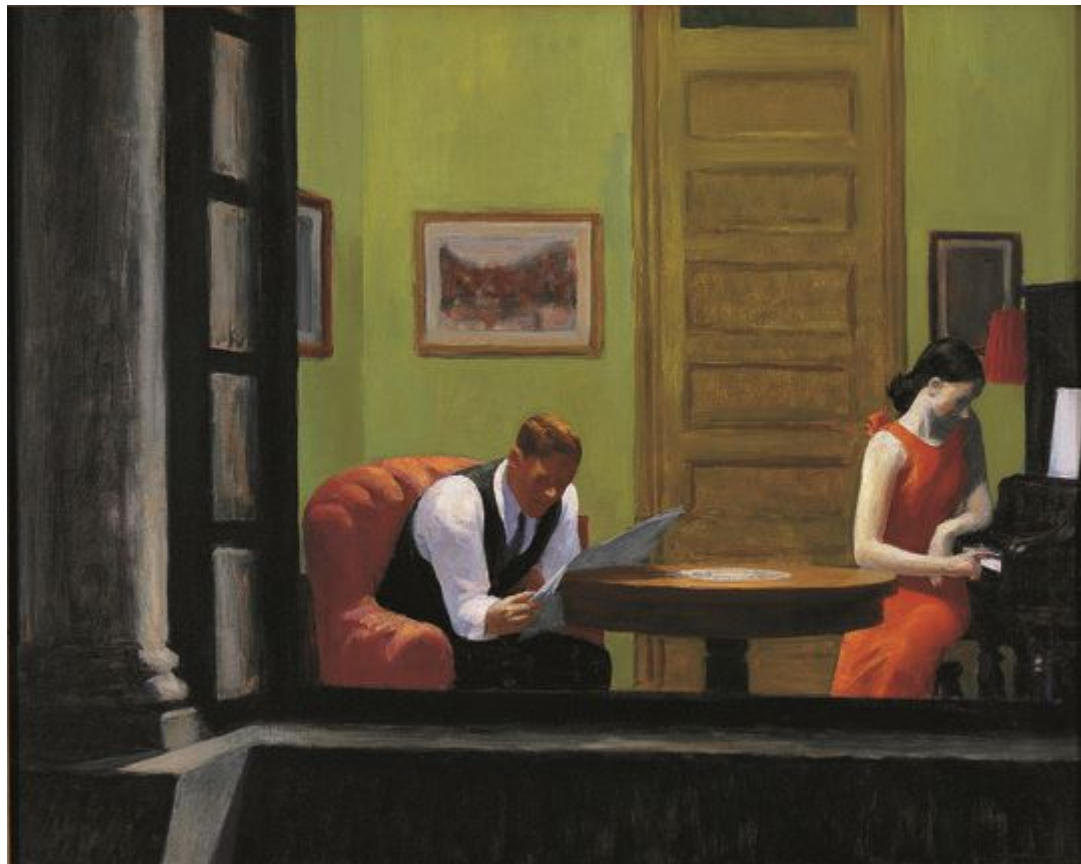
Editorial du Monde

http://www.lemonde.fr/culture/article/2012/10/10/edward-hopper-tel-que-vous-l-ignoriez_1772987_3246.html

Edward Hopper tel que vous l'ignoriez

LE MONDE | 10.10.2012 à 14h44 • Mis à jour le 10.10.2012 à 19h57

Par Philippe Dagen



Pour son bonheur et son malheur, [Edward Hopper](#) (1882-1967) a peint en 1942 *Nighthawks* ("oiseaux de nuit") : une femme, deux hommes et le serveur dans un bar vivement éclairé, à un coin de rue. Son bonheur : la toile est devenue l'emblème de la ville et de la vie américaines, assurant à son auteur une célébrité définitive. Son malheur : il en est de *Nighthawks* comme de la *Joconde* pour Vinci. A force d'être reproduite entière ou recadrée à des millions d'exemplaires, d'être affichée à l'état de [poster](#) ou d'affiche dans des millions d'endroits, la toile a fini par [recouvrir](#) à peu près entièrement l'oeuvre, bien qu'elle soit très loin de la résumer.

Elle fait office de couverture au catalogue de sa [rétrospective](#) au Grand Palais. Sans doute fallait-il un "visuel" qui frappe. Mais le choix n'en est pas moins regrettable, car le propos de l'exposition est - à l'inverse de ce que cette image laisse [craindre](#) - de [rendre](#) à Hopper son ampleur et sa variété, de [donner](#) à [voir](#) des parties entières de son travail méconnues et de le [situer](#) dans une histoire de la peinture à moitié américaine, évidemment, mais aussi à moitié française en raison des séjours de l'artiste à Paris.

Ces trois buts sont atteints, et l'exposition est une réussite, bien construite dans ses choix et dont l'accrochage est d'une sobriété que les excès commis ailleurs actuellement ne rendent que plus précieuse. Ici, pas de rails au sol, ni de bruits de train ou de sirène enregistrés, ni de mannequin à l'effigie d'[Humphrey Bogart](#) dans *Le Faucon maltais*, qui sortit du reste un an avant *Nighthawks*.



[Image précédente](#) [Image suivante](#)

1 sur 14

Le Grand Palais présente, jusqu'au 28 janvier à Paris, une rétrospective consacrée à l'artiste américain Edward Hopper (1882-1967). S'articulant autour de deux grandes parties - les années de formation et la maturité de son oeuvre - le public peut ainsi découvrir son parcours à travers 128 oeuvres : des peintures à l'huile mais aussi des aquarelles et gravures.

Légende : *Night Shadows*, 1921 : gravure.

Crédits : © Philadelphia museum of art

La trajectoire d'Hopper n'en apparaît qu'avec plus de netteté. Elle commence par un talent précoce pour le dessin, puis c'est la [New York School of Art](#), d'abord en classe d'illustration, puis en section "beaux-arts". Il y étudie avec Robert Henri, lui-même marqué par le réalisme européen, plutôt côté Courbet et Menzel que côté Manet. Il l'adapte à des sujets américains, principe qu'Hopper reprend vite à son compte mais dont il rafraîchit l'application en regardant de près l'impressionnisme, Degas, Pissarro et Renoir à Paris à [partir](#) de 1906.

Dans cette partie, les oeuvres d'Hopper sont justement confrontées à celles des Américains Henri, Eakins ou Bellows et des Européens Sickert, Vallotton ou Marquet. Whistler n'y aurait pas été inutile, d'autant qu'Hopper, entre 1915 et 1928, exécute une suite de gravures, aussi sèches et stylisées que celles de Whistler à Londres, marquant ses débuts à la première personne du singulier.

UNE CONSTANCE REMARQUABLE DANS LES MOTIFS

Les principaux motifs de son oeuvre à [venir](#) y sont : maisons dans des paysages vides, gares, homme seul dans une rue nocturne, fille dans sa chambre, nue devant la fenêtre ouverte. Sa manière y est aussi. La géométrie des façades, des trottoirs, des toits ou des poteaux électriques structure la composition par verticales et horizontales. Morceaux de nature, meubles et corps s'y trouvent pris, sans la moindre possibilité d'évasion.

Sur ce point, la constance d'Hopper est flagrante des années 1920 à sa mort : d'[Hotel Room](#), en 1931, à *New York Office*, en 1962, le système ne faiblit pas. Chose plus remarquable encore : il s'applique aux vues d'extérieur aussi fermement qu'aux espaces clos. Les cimes des arbres tracent une droite, les herbes sont uniformément rases et l'électricité projette des triangles blancs sur le sol le long de la station-service. Tout cela est logique, aussi logique que du Mondrian : puisque le monde nouveau est dirigé par les [sciences](#) exactes et

leurs chiffres, la peinture de ce monde est commandée par des angles, des parallèles et des proportions. Hopper, à son insu, annonce la rigueur ultramoderne du minimalisme new-yorkais.

Les couleurs sont divisées par des lignes continues et posées d'un geste régulier et neutre. Elles s'opposent durement ou s'accordent dans des harmonies claires - d'une clarté de scialytique, de néon ou de soleil trop intense. Les visages y sont creusés d'ombres qui les défigurent, et la stripteaseuse de *Girlie Show*, dans le cercle du projecteur, a moins l'air d'un être de chair que d'une création de plastique pop. Elle est un objet de [consommation](#) destiné à une certaine fonction, ouvrière de l'érotisme. Tous les personnages, hommes et femmes, secrétaires et jardiniers, prostituées et retraités, sont semblablement réduits à une définition professionnelle, l'ordre [social](#) étant aussi strict que la géométrie des villes.

Jusque dans les années 1940, Hopper peint ce désenchantement du monde et cette réification des humains avec un certain détachement, une sorte de discrétion perverse. Aussi la plupart des spectateurs et des critiques s'y trompent-ils alors et aiment en lui le chroniqueur de leur quotidien, sans se [rendre](#) compte qu'il leur en renvoie un reflet au mieux inquiétant, au pire effrayant.

Sans doute pour [dissiper](#) enfin l'équivoque, il se risque dans ses dernières années vers des toiles de moins en moins descriptives, de plus en plus silencieuses. *Excursion into Philosophy*, *Sun in an Empty Room*, *Second Story Sunlight* sont les titres énigmatiques des chefs-d'oeuvre de sa période métaphysique, à [partir](#) de 1959 - du Beckett en peinture. Leur réputation est de loin inférieure à celle de *Nighthawks*, mais ils n'en sont pas moins le sommet de sa création.

Edward Hopper, [Grand Palais](#), Paris 8^e. Du mercredi au samedi de 10 heures à 22 heures, le dimanche et le lundi de 10 heures à 20 heures. 12 €. Jusqu'au 28 janvier.

Croix gammées à Athènes : l'Allemagne sous le choc

Par [Patrick Saint-Paul](#) Mis à jour le 10/10/2012 à 19:36 | publié le 10/10/2012 à 17:05 [Réactions](#) (31)



Des manifestants arborent des symboles nazis, mardi à Athènes. Crédits photo : Lefteris Pitarakis/AP

L'accueil réservé à la chancelière mardi à Athènes pour sa visite officielle a choqué les Allemands. Ils jugent les slogans hostiles «ingrats», alors que l'Allemagne reste le premier créancier de la Grèce.

Correspondant à Berlin

L'[Allemagne](#) est sous le choc après l'accueil réservé à sa chancelière par la rue grecque. Les [images des manifestations](#) d'opposants à la venue d'[Angela Merkel](#), mardi en [Grèce](#), avec force symboles nazis et slogans de rejet, s'étaient dans presque tous les journaux mercredi. Soutenue par les sociaux-démocrates, la coalition de centre droit de la chancelière a cloué au pilori le patron de [Die Linke](#), le parti de la gauche radicale, qui a cautionné les dérapages en défilant à Athènes.

«L'Allemagne n'a pas mérité ça: des protestations nauséabondes contre Merkel à Athènes! Et nous payons encore plus», s'exclamait en une le quotidien populaire *Bild*, qui qualifie la visite d'«erreur politique», «en dépit des bonnes intentions» qui ont présidé à son organisation. «On ne peut pas être plus ingrat. Ça suffit», écrit le journal, qui avait suggéré aux Grecs de vendre leurs îles ou encore l'acropole pour rembourser leurs dettes en 2010.

La visite de la chancelière, à l'invitation de son homologue grec, [Antonis Samaras](#), avait pour but d'apaiser les tensions entre Berlin et Athènes. [Merkel est venue à Athènes marquer son empathie](#) et offrir ses encouragements. Un petit geste symbolique marque pourtant l'étendue de l'incompréhension entre les deux capitales en dépit d'une certaine complicité affichée par les deux dirigeants.

Polémique sur la veste verte de la chancelière

Les commentateurs ont souligné que Merkel portait un blazer vert, couleur de l'espoir, pour marquer son soutien aux Grecs... Un faux pas, en réalité, puisqu'elle avait arboré la même veste lors de la cuisante défaite (4-2) infligée par la Mannschaft à l'équipe grecque, cet été, pendant l'Euro 2012.

«Ce n'est pas le IVe Reich!» écrit la *Frankfurter Allgemeine Zeitung*, qui rappelle que jamais la chancelière n'avait été ainsi reçue, avec à la fois les honneurs militaires et les croix gammées des manifestants. «On peut ouvertement se demander si les témoignages de sympathie à mots couverts de la chancelière ont atteint les oreilles des manifestants», écrit le journal, pour lequel seul «un petit cadeau» chiffable en milliards d'euros aurait pu changer quelque chose.

La visite mouvementée a aussi provoqué des remous politiques à Berlin. Soutenue par le parti d'opposition SPD, la coalition de Merkel a tancé le patron du parti de la gauche radicale, Die Linke, Bernd Riexinger, qui a défilé aux côtés des manifestants à Athènes. «Il est désolant et sans précédent» que le chef d'un parti siégeant au Bundestag «utilise les protestation antiallemandes d'Athènes pour faire de la politique contre les intérêts de son propre pays», s'est insurgé Gerda Hasselfeldt, présidente du groupe CSU au Bundestag. La solidarité allemande envers la Grèce est conditionnée aux efforts d'Athènes pour accomplir le programme de réformes de la troïka (UE, BCE, FMI). «Riexinger foule cette solidarité aux pieds», juge Hasselfeldt.

Herbstgutachten

Institute warnen EZB vor Inflationskurs

FAZ 10.10.2012 · Die führenden Wirtschaftsforschungsinstitute haben in ihrem Herbstgutachten die Wachstumsprognose für 2012 von 2,0 auf 1,0 Prozent gesenkt. Hauptgrund sei die starke Verunsicherung durch die Euro-Krise. Zugleich warnen die Ökonomen nach Informationen der F.A.Z. vor der Anti-Krisen-Politik der Europäischen Zentralbank.

Von [Philip Plickert](#)

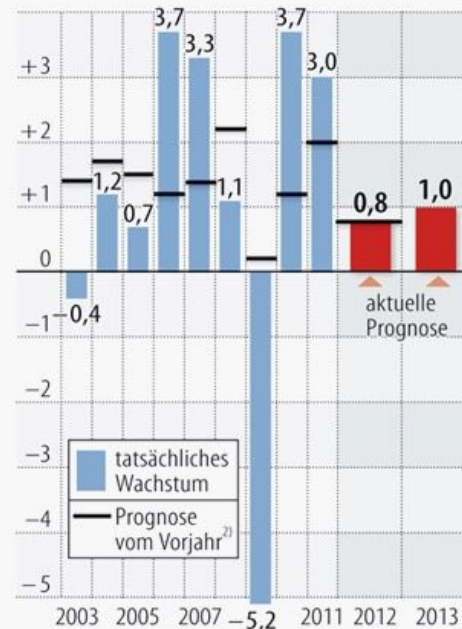
Der Kurs der Europäischen Zentralbank führt nach Einschätzung der „Wirtschaftsweisen“ zu höherer Inflation

Die führenden Wirtschaftsforschungsinstitute haben in ihrem Herbstgutachten die Wachstumsprognose für 2012 von 2,0 auf 1,0 Prozent gesenkt. Hauptgrund dafür sei die starke Verunsicherung durch die Euro-Krise. In diesem Jahr sei nur noch ein Wachstum von 0,8 Prozent (statt 0,9 Prozent im [Frühjahrgutachten](#)) zu erwarten. Wegen der Sorgen über die Krise in Europa halten Unternehmen Investitionen zurück. Zugleich warnen die Ökonomen nach Informationen der F.A.Z. vor der Anti-Krisen-Politik der Europäischen Zentralbank (EZB), die zu höherer Inflation führe. „Die Institute sehen das Risiko, dass die Inflation mittelfristig steigt“, heißt es in dem Gutachten. „Dieser Prozess kann dadurch ausgelöst werden, dass die EZB in großem Umfang Staatsanleihen kauft und so letztlich eine monetäre Staatsfinanzierung betreibt“, kritisieren die Ökonomen. „In der Folge könnten die Bürger und die Akteure an den Märkten das Vertrauen in die EZB verlieren, nachhaltig für Preisstabilität zu sorgen. Früher oder später würden sich dann die Inflationserwartungen aus ihrer Verankerung lösen.“

[Die Europäische Zentralbank hat angekündigt, Staatsanleihen von Krisenstaaten zu kaufen](#), wenn diese beim Stabilisierungsfonds ESM einen Rettungsantrag stellen und Reformauflagen erfüllen. [Die Deutsche Bundesbank ist gegen die Anleihekäufe](#), weil sie darin eine „monetäre Staatsfinanzierung“, also quasi mit der Druckerpresse, sieht. Diese ist nach den EZB-Statuten verboten. Die Wirtschaftsforschungsinstitute stärken nun der Bundesbank den Rücken. Allerdings wurden diese Passagen des Gutachtens nicht einstimmig angenommen, einige Volkswirte sind anderer Meinung. Offiziell wird das Herbstgutachten am Donnerstag in Berlin der Bundesregierung übergeben.

BIP-Wachstum in Deutschland

reale Veränderung zum Vorjahr in Prozent¹⁾



1) Ursprungswerte. 2) Herbstgutachten.
Quellen: Gemeinschaftsdiagnose; Destatis

F.A.Z.-Grafik Brocker

| | | |
|--|-------------|------------|
| Haushaltsdefizit (in Prozent des BIP) | +0,1 | 0,0 |
| Zahl der Arbeitslosen (in Millionen) | 2,9 | 2,9 |
| | 2012 | 2013 |

Trotz der deutlich schwächeren wirtschaftlichen Entwicklung sehen die Institute den deutschen Staat auf dem Weg zu einem ausgeglichenen Haushalt. In diesem Jahr sei eine „schwarze Null“ möglich, Im Gutachten steht sogar ein kleiner Haushaltsüberschuss von 0,1 Prozent des Bruttoinlandsprodukts. Für 2013 verschlechtert sich der Wert minimal auf eine „rote Null“, ein Defizit von knapp unter 0,0 Prozent des BIP. Recht stabil hält sich nach der Prognose auch der [Arbeitsmarkt](#). Im Jahresdurchschnitt 2012 werden knapp 2,9 Millionen Menschen (eine Quote von 6,8 Prozent) ohne Erwerbsarbeit erwartet, für 2013 würde die Zahl leicht über 2,9 Millionen liegen. In ihrem Gutachten arbeiten die Institute mit der Annahme, dass die Euro-Krise nicht eskaliert, sondern sich langsam entspannt.

Das Gutachten wird von vier Konsortien unter Federführung des Kieler Instituts für Weltwirtschaft (IfW), des Münchner ifo Instituts, des Rheinisch-Westfälischen Instituts für Wirtschaftsforschung (RWI) in Essen und des Instituts für Wirtschaftsforschung Halle (IWH) für die Bundesregierung erstellt. Das IWH und das RWI äußerten schon im Frühjahrsgutachten bezüglich der EZB-Politik eine abweichende Meinung. Die Regierung will ihre eigene Wachstumsprognose kommende Woche vorstellen.

Quelle: FAZ.NET

Those mad, bad and sad Anti-Merkelites

10 October 2012

[Coulisses de Bruxelles](#) Brussels



Demonstrators dressed as Nazis, during Angela Merkel's visit to Athens, October 9.

[Γκόελ / Flickr](#)

Angela Merkel's 9 October visit to Athens gave rise to demonstrations in the course of which the chancellor was caricatured as Hitler. Excesses bordering on stupidity that prevent the Greeks from facing up to their responsibilities, argues a French journalist.

[Jean Quatremer](#)

Approximately 25,000 Greeks [protested against German Chancellor Angela Merkel's visit](#) to Athens, the first since the start of the euro crisis. For these demonstrators, there could be no doubt: the country that is to blame for their dramatic situation is Germany, the new Reich is accused of bleeding Greece dry. Nazi flags were waved, and some of the demonstrators even sported Wehrmacht uniforms.

This demonstration, which is not the first of its kind since the beginning of the Greek crisis (Merkel has often been caricatured as Hitler), **is interesting because it reveals a certain mentality.** Because when we look at any of the other countries in financial difficulty, whether it be Portugal, Ireland, Spain, Italy or Cyprus, **nowhere can we see such outrageous Germanophobic demonstrations.**

This is what radically distinguishes Greece from its partners: one part of the population, admittedly encouraged by its politicians, prefers to blame foreigners for the country's problems rather than calling themselves into question. It is true that "scapegoat" is derived from the Ancient Greek for "Azazel's goat".

Thus, in the spring of 2010, Greece's **socialist Deputy Prime Minister, Theodoros Pangalos, declared that Germany had never paid war reparations following the Nazi occupation of the country.** In December of the same year, the then **Deputy Finance Minister, Filippos Sachinidis, evaluated Germany's debt to his country at 162 billion euros.** In short, **the Germans should pay to help Greece, because they are the ones in debt.**

After three years of crisis, a part of Greek society refuses to admit that it alone is responsible for its situation. No one imposed one of the planet's most corrupt states on the Greeks. No one forced them to indulge in crazy military spending, to exonerate the clergy and ship owners and allow the majority of the population evade tax, to lie to qualify for the euro, to run up mountainous debts, to let salaries drift, to abstain from investing in their economy when they could have taken advantage of low interest rates etc., etc. Admittedly, we can reproach Europeans for turning a blind eye to these issues which were common knowledge. But the Greeks are not big children.

A handful of cretins brandishing Nazi flags

Now that the markets have burned what they loved, the Greeks will have to pay the bill. It is unpleasant, no one denies it. And no one denies that the manner in which the portion is being administered is not very gentle, but **the Eurozone has very little experience of this type of situation, and has probably made the mistake of demanding too much of a country with no state.** Just as Germany, which balked at helping Greece at the beginning of the crisis, probably made a bad situation worse.

But the Eurozone and Germany finally responded to the call: 240 billion euros of aid (in the form of loans) which enabled Greece to make its payments, along with 50 billion of Greek bonds purchased by the European Central bank, the biggest debt restructuring in modern history, 15 billion euros of financial aid over two years, unprecedented technical assistance (both European and bilateral, and thus in part German) to help construct a modern state etc.

And the alternative? There is no less painful option. Moreover, an overwhelming majority of Greeks do not want to leave the Eurozone, because **they know that pure and simple bankruptcy would be infinitely more painful than the treatment they currently have to endure.**

In making the spectacular gesture of traveling to Athens, the Chancellor has acknowledged the efforts made by the Samaras government, she has also affirmed that she does not want – or at least no longer wants – a Greek exit from the Eurozone, which is still favoured by public opinion in Germany.

So to wave Nazi flags is not only disgraceful, it is also imbecilic and certain to aggravate the situation: **Germans, whose democracy is one of the most exemplary in the world, will hardly appreciate once again being equated with Nazis by a country that is not a shining example of democracy.** We can find reassurance in the fact that there were only 25,000 demonstrators and a handful of cretins brandishing Nazi flags (in a country that [elected a small group of Nazis](#) to its parliament, which is a nice touch). At the very least, this should encourage Greece to adopt legislation to punish this type of incitement to hatred.

Translated from the French by **Mark McGovern**

10/10/2012 09:28 AM

Among Friends?

The True Face of the German-Greek Partnership

By Julia Amalia Heyer in Athens

Chancellor Angela Merkel expressed solidarity and friendship with Greece during her Tuesday visit in Athens with Prime Minister Antonis Samaras. On the streets outside, however, protests revealed the strain Greek society is under. The chancellor's visit will do little to improve the situation.

She actually did bring along a gift in the end, a gift basket wrapped carefully in cellophane with a fat, gold ribbon. Chancellor Angela Merkel, likely the most hated politician in Greece, presented the offering to Greek Prime Minister Antonis Samaras while standing in front of a couch in his office. Both were smiling, even beaming, and grabbed each others' elbows in a half embrace. There was also a card, which they both read together with smiles on their faces.

Merkel's visit in Athens was, as they both insisted following a two-hour tête-à-tête in Samaras' office, a meeting among friends, among partners. It is, they said, important for friends and partners to "speak together" and to remain "in intensive contact."

Outside, helicopters buzzed over the city in the overcast sky. Despite the overwhelmingly peaceful protest against Merkel's visit on Syntagma Square in central Athens, a few troublemakers fulfilled the expectations of violence. The images that we have all become used to were the result: clouds of teargas, stun grenades, people running in all directions and, more than anything, riot police everywhere.

The chancellor would be appropriately received, Merkel's host Samaras had promised once it became clear that the chancellor would finally travel to Athens for the first time in five years.

It was a promise repeated by left-wing opposition leader Alexis Tsipras, though he meant it more as a threat. And the images produced in the Greek capital on Tuesday were powerful in their expression of the desperation that has enveloped the country's citizens: burning swastika flags, posters reading "Merkel Go Home" and black-clad protesters throwing rocks at the police. One friendly-looking, moustachioed gentleman showed just how ugly relationships can be, even among partners: "Get out of our country, bitch," read the sign he was holding.

'Breaking an International Isolation'

Samaras seems to have been aware that Greek hospitality would be stretched to the limit by Merkel's visit. Security precautions were greater than any previous such visit in the Greek capital's recent history, including that of US President Bill Clinton in 1999. Police even shut down the road running into Athens from the airport, one of the city's main arterials. Much of the city center, for once, was completely free of automobile traffic.

Following their meeting in Villa Maximos, Merkel, with Samaras at her side, faced the press -- and the obvious question as to why she had come. "For me, it is very important to really get to know a country," Merkel said. Whether a half-day in a high-security cocoon is sufficient seems doubtful. But the gesture was well received. The visit, Samaras said, "proves that we are breaking an international isolation." Greece's image abroad is much better now than it was just a few months ago, he insisted, and Merkel's visit is the proof.

Still, despite the public display of affection, Merkel's visit does little to change the current situation facing the highly indebted country. The country is in urgent need of fresh aid funding, with the troika of the International Monetary Fund, the European Central Bank and the European Commission currently assembling its assessment

as to the progress Athens has made toward achieving the reforms Greece's creditors are demanding. The next aid tranche of more than €30 billion (\$39 billion) hangs in the balance.

Greece's economy, furthermore, remains in freefall, having shrunk by 20 percent in four years and facing another 6.5 percent hit this year. Whether the country will ultimately be able to remain in the euro zone remains to be seen, particularly given the troika's growing frustration that Athens has yet to approve further austerity measures and has been slow to introduce necessary reforms.

Plenty to Do

International demands for additional painful cuts, many of them coming from Berlin, have fuelled the hatred on the streets. That, though, was largely ignored on Tuesday in Villa Maximos, where it was pleasantly quiet even though the demonstrations were raging just 200 meters away. "Europe is our home," Samaras said. Merkel, for her part, insisted that: "I hope and wish that Greece remains a member of the euro zone. As partners, we are working hard to achieve that."

Cynics might point out that 40 percent of German exports are delivered to partners in the euro zone. Any further fractures in the common market could hit Germany hard. But Merkel stuck to her message -- that her visit was to "gain a deeper understanding of the situation in Greece."

And she was determined to paint an image of that situation that was as bright as possible. She noted that the country's foreign trade deficit had stabilized and that reforms had reduced unit labor costs. Other things, such as deep structural reforms, take time. She did not, she said, come to Greece as a "teacher or an evaluator," though she added that the country had covered "much of the ground" necessary, but that there was still plenty to do.

Merkel's visit was not limited to her meeting with Samaras. She also met briefly with Greek President Karolos Papoulias before being rushed over to the nearby Hilton Hotel with a full police escort. Sharpshooters lined the route to protect the "friend of our country," as Samaras repeatedly referred to the German chancellor. Blue buses belonging to crack police troops lined the streets.

In the Hilton, behind the metal detectors, Merkel and Samaras met with Greek and German business representatives in the hopes of opening a "new chapter" in bilateral cooperation, as the chancellor phrased it. Stimulating growth was the catchphrase. The European Investment Bank is prepared to make €10 billion available for projects and Germany's KfW state-owned development bank is also supposed to help with financing. The money is to help finally move forward long-planned ventures, such as the municipality reform designed with the help of German experts. Greece is finally to be able to call on EU funding that has been set aside for the purpose.

It is a reform that was to have been undertaken long ago. But that was left unmentioned on this day of friendship in Athens.

Merkel veut un droit de veto de l'UE sur les budgets nationaux

Mots clés : [Zone euro](#), [Union bancaire](#), [Angela Merkel](#), [François Hollande](#)

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Angela Merkel s'est ouvertement positionnée contre le président François Hollande et d'autres dirigeants européens .

[Pour la chancelière allemande, cette prérogative devrait être confiée, à Bruxelles, au commissaire aux Affaires économiques.](#)

L'[Union européenne](#) doit avoir des pouvoirs d'intervention clairement définis pour réagir lorsqu'un État membre viole les règles budgétaires communes, a déclaré jeudi la chancelière [Angela Merkel](#), à quelques heures du sommet européen à Bruxelles.

Dans un discours au Bundestag, la chambre des députés allemande, elle a aussi écarté la possibilité de mettre rapidement en place une [union bancaire](#). Angela Merkel s'est ouvertement positionnée contre le président [François Hollande](#) et d'autres dirigeants européens qui sont réticents à céder à l'Europe un droit de regard sur leur politique budgétaire et veulent voir la [Banque centrale européenne](#) devenir d'ici la fin de l'année le superviseur bancaire.

«Nous avons fait beaucoup de progrès dans le renforcement de la discipline budgétaire grâce au pacte budgétaire, mais nous pensons - nous, c'est-à-dire l'ensemble du gouvernement allemand - qu'il faudrait aller plus loin en conférant à l'Europe de réels droits d'intervention dans les budgets nationaux», a déclaré Angela Merkel.

Dans cette optique, elle a jugé envisageable la proposition du ministre des Finances [Wolfgang Schäuble](#) de créer un poste de commissaire aux Affaires monétaires disposant de vastes pouvoirs sur les budgets nationaux.

Cette idée a également reçu le soutien dans la matinée du ministre français du Budget, à condition, a précisé Jérôme Cahuzac, qu'il ne s'agisse pas d'un transfert de souveraineté.

Un satisfecit à la Grèce

Concernant le projet de supervision bancaire, Angela Merkel a de nouveau estimé qu'il n'était pas souhaitable de précipiter les décisions et qu'il était donc préférable de ne pas forcément s'en tenir à l'objectif de mise en œuvre prévue pour janvier 2013. Elle a rappelé qu'il ne serait pas possible de refinancer directement les banques via le [Mécanisme européen de stabilité \(MES\)](#), le fonds de secours permanent de la zone euro, tant que la nouvelle instance de supervision ne sera pas totalement opérationnelle. «Que ce soit clair, l'élaboration du cadre légal de la supervision bancaire n'est pas suffisante en soi, a-t-elle affirmé. Cette supervision bancaire doit être effectivement en mesure d'agir».

Évoquant l'[Espagne](#), Angela Merkel a estimé qu'il appartenait uniquement au gouvernement espagnol de décider de l'opportunité d'une aide supplémentaire au-delà des 100 milliards d'euros offerts par ses partenaires européens pour recapitaliser les banques locales. «Il revient à l'Espagne seule de décider si elle a besoin d'une aide du MES, et de combien, en plus (de l'aide aux banques)», a-t-elle dit. La chancelière a également réaffirmé vouloir voir la [Grèce](#) demeurer au sein de la zone euro. «De nombreux pays ont mis en œuvre des réformes et des programmes d'ajustement difficiles pour résoudre leurs problèmes spécifiques (...). C'est également vrai pour la Grèce. J'ai pu le constater moi-même en Grèce lors de ma visite la semaine dernière», a-t-elle ajouté.

Se prononçant par ailleurs en faveur d'un renforcement du Parlement européen, Angela Merkel a défendu la création d'un fonds européen pour investir dans des projets spécifiques au sein de la zone euro, qui pourrait être financé par une taxe sur les transactions financières.

NYT October 18, 2012

At the E.U. Summit, Cohesion May Be Elusive

By [JAMES KANTER](#) and [STEPHEN CASTLE](#)

BRUSSELS — With market pressure on their single currency easing for now, will [European Union](#) leaders meeting here Thursday and Friday return to a familiar pattern: bickering and delaying promised reforms that could solve the euro crisis?

A pledge in September by the [European Central Bank](#) to buy unlimited quantities of bonds has steadied borrowing costs in some of the most vulnerable euro-area countries like Spain. That, in turn, has bought more time for the Spanish prime minister, Mariano Rajoy, to decide whether and when to make a formal request for aid.

And with negotiations still up in the air over providing more assistance to Greece, the focus of the E.U. meeting here is expected to be on making Europe's economic and monetary union more cohesive.

But that could prove a combustible topic for France and Germany. Agreement between governments in Paris and Berlin is seen as vital to any steps toward further integration in Europe that could ensure the survival of the common currency for the 17 E.U. countries that now use it.

An immediate concern at the summit is the conflicting positions of France and Germany. Paris emphasizes speedy adoption of legislation to tighten budget discipline across the euro zone; ideas to put all European banks under a central supervisor, and moves toward pooling at least some of the euro zone countries' debt. Germany, though, is pressing for even greater powers of intervention by the most solvent countries to enforce budgetary discipline in the euro zone.

The summit is "likely to pit Germany and its allies against various coalitions of E.U. countries on a number of issues," said Christian Schulz, a senior economist at Berenberg Bank. "This should be no surprise: as market pressures recede, the pressure to compromise for Germany is receding, too."

Mr. Schulz also warned that such "disagreements could revive investors' doubts about Europe's resolve to overcome the crisis" and "could leave the euro-zone more vulnerable to the next bout of panic which can occur at any time."

The summit could quickly bog down over thorny questions of how far, and how fast, nations sharing the euro should move toward knitting together their banking systems and budgets.

Ahead of the summit, German Chancellor [Angela Merkel](#) staked out a maximalist position.

"We are of the opinion — and I speak for the whole German government on this — that we could go a step further by giving Europe real rights of intervention in national budgets," Mrs. Merkel told lawmakers in Berlin on Thursday.

She also voiced support for the idea proposed by her finance minister, Wolfgang Schäuble, of a European currency czar that would have wide-ranging powers to intervene in national budgets.

Mr. Schäuble has already questioned the effectiveness of proposals by Herman Van Rompuy, the president of the European Council, who has prepared a report on reforming economic and monetary union for the leaders to discuss. In the German finance minister's view, Mr. Rompuy's options are still far too weak to ensure the survival of the euro zone. Mr. Schäuble says the E.U. needs to go beyond them by implementing treaty changes.

By contrast, President [Francois Hollande](#) of France has emphasized the need for swift moves to sharing debt as a way of shoring up the stability of the single currency, and he has put a new emphasis on creating so-called Eurobonds. Such bonds would make euro area countries jointly liable for debts run up by individual members of the currency union. It is a move steadfastly opposed by Germany, which says shared debt if it ever is allowed should come only after greater political integration of the euro zone — to give Berlin, for example, greater say in how other countries are managing their share of the debt.

“Political union is for later,” Mr. Hollande bluntly told a number of international newspapers on Wednesday that included French daily *Le Monde*.

Mr. Hollande also emphasized that euro zone countries should be given the capacity to stimulate internal demand with salary rises and tax cuts. “If we don't breathe some life into Europe's economy, budget discipline measures won't work,” said Mr. Hollande.

French officials also have underlined their support for plans to set up a single banking supervisor for euro area banks by the end of the year that would cover all 6,000 lenders in countries that use the single currency.

Yet there are problems here, too.

Britain, which is an E.U. member but has its own currency, is seeking to secure a voting system that ensures that decisions cannot be imposed on British banks by the euro zone countries working together as a bloc. Eastern and Central European countries have their own concerns about a potential run on banks not regulated by the new single supervisor and backstopped by the European [bailout fund](#).

The banking union proposals are also a problem for Germany. The government in Berlin wants to ensure that the European Central Bank, which is meant to take over the supervisory role, first has the proper capacity to do that job. Meanwhile, a number German regional leaders are opposed to greater supervision of state and local banks by the E.C.B.

Some analysts characterize some of Germany's demands, in particular changes to the E.U. treaties, as merely a negotiating position rather than a red line during the upcoming talks in Brussels.

“By staking out an extreme position on treaty change which no other countries have appetite for, Germany may actually get what it really wants,” Mujtaba Rahman, an analyst with the Eurasia Group, said Thursday.

Those German desires include, above all, another form of fiscal surveillance, which have been dubbed “contracts,” in exchange for agreement on a separate budget for the euro zone that could be backed by a central treasury that would have the ability to borrow money.

Talks to create such a budget still could gain traction at the summit, partly because France has strongly argued in favor of creating a new pool of money available to fight sudden shocks to individual euro area economies.

That new weapon would differ in important ways from the new [European Stability Mechanism](#), the “bazooka” fund that held its first board meeting during the past week. Instead of loans, which the E.S.M. is set up to provide, the pool that the French are describing would provide direct aid to troubled countries.

For all the expected debate, though, some analysts warn of what they see as an absence of urgency to tackle the most pressing problems still overhanging the eurozone.

“While political pressure on Spain to request a bond-buying program is mounting, market pressure on Spain is waning,” said Nicholas Spiro of Spiro Sovereign Strategy in a note. The credit agency Moody's last week down-graded Spain's debt to just above junk-bond status. But, Mr. Spiro wrote, “the decision by Moody's not to ‘junk’ Spain has, paradoxically, made it even less likely that the Rajoy government will apply for a bond-buying program any time soon.”

In the case of Greece, little is expected from the summit beyond a statement designed to paper over the slow pace of the negotiations with Athens, and to lend support for Prime Minister Antonis Samaras.

“The language will welcome action that Saramas has taken, and it will encourage him, but it won’t put pressure Greece or take the pressure off of Greece,” said one diplomat, who spoke on condition of anonymity ahead of the formal meetings in Brussels.

EU-Gipfel Handfester Streit zwischen Deutschland und Frankreich

FAZ 18.10.2012 · Schon zu Beginn des EU-Gipfels in Brüssel streiten Deutschland und Frankreich über die Weiterentwicklung der Währungsunion. Der deutsche Plan einer besseren Aufsicht über nationale Haushalte stößt in Paris auf offene Ablehnung.

Von [Manfred Schäfers](#), [Nikolas Busse](#) und [Werner Mussler](#)



© dpa Die Europäische Union - eine Baustelle

Das EU-Gipfeltreffen zur Weiterentwicklung der Währungsunion in Brüssel hat am Donnerstag mit einem handfesten Streit zwischen Deutschland und Frankreich begonnen. Bundeskanzlerin Angela Merkel (CDU) unterstützte in ihrer Regierungserklärung vor dem Bundestag den Vorschlag von Finanzminister Wolfgang Schäuble (ebenfalls CDU), die Position des EU-Währungskommissars zu stärken. Dieser sollte nach Schäubles Vorstellungen nationale Haushalte der Euro-Staaten zurückweisen können, wenn diese den stabilitätspolitischen Verabredungen widersprechen. Frankreichs Präsident François Hollande widersprach dagegen der deutschen Lesart, dass im Zentrum des Gipfels die verbesserte Aufsicht über die nationale Haushaltspolitik stehen müsse. Zu Beginn des Treffens sagte er: „Das Thema dieses Gipfels ist nicht die Fiskalunion, sondern die Bankenunion.“ Als einzige Entscheidung müssten die Staats- und Regierungschefs sicherstellen, dass die geplante Bankenaufsicht für den Euroraum schnell auf den Weg gebracht werde. Hollande wollte durchsetzen, dass die neue Aufsicht schon zum Jahreswechsel ihre Arbeit aufnehmen kann.

Merkel hatte dagegen am Morgen im Bundestag vor überzogenen Erwartungen in diesem Punkt gewarnt. Bei der geplanten Bankenunion gehe „Qualität vor Schnelligkeit“. Es müssten bei der neuen europäischen Bankenaufsicht noch sehr komplexe rechtliche Fragen gelöst werden. Eine direkte Rekapitalisierung von Banken durch den Euro-Rettungsschirm ESM, auf die Spanien hofft, könne es erst geben, wenn eine effektive Aufsicht die Arbeit aufgenommen habe. Das Europaparlament werde es in diesem Jahr nicht mehr schaffen, dazu Beschlüsse zu fassen. Am Gipfeltag wurde zudem ein juristisches Gutachten des EU-Ministerrats bekannt, das einen schnellen Abschluss dieses Verfahrens noch unwahrscheinlicher werden lässt. Die Ratsjuristen halten die Ansiedlung der Aufsicht in der Europäischen Zentralbank in der geplanten Form für europarechtswidrig.



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Einig in der Uneinigkeit: Frankreichs Präsident Hollande, Kanzlerin Merkel (hier am 22. September in Stuttgart mit dem baden-württembergischen Ministerpräsidenten Kretschmann zum 50. Jahrestag der de-Gaulle-Rede an die Jugend)

Hollande mahnte dagegen zur Eile, damit Spanien sich wieder zu guten Bedingungen finanzieren könne. Er erklärte Merkels harte Haltung „vielleicht mit Gründen, die im Wahlkalender liegen“, appellierte aber an die „gemeinsame Verantwortung“ Deutschlands und Frankreichs, den Euroraum aus der Krise zu führen. „Es ist das Beste, die Entscheidungen zu respektieren, die wir gemeinsam getroffen haben.“ Merkel und Hollande kamen vor Gipfelbeginn zusammen.

Präferenzen für ein Modell „27 minus“

Aus dem Europaparlament wurden Bedenken gegen deutsche Überlegungen geäußert, zur Stärkung der demokratischen Kontrolle im Euroraum den EU-Abgeordneten aus den Euroländern exklusive Abstimmungsrechte zu verleihen. Parlamentspräsident Martin Schulz (SPD) sagte, das EU-Parlament sei das Parlament des Euros. Alle EU-Staaten außer Großbritannien und Dänemark seien vertraglich verpflichtet, den Euro einzuführen, deshalb sei er für einen Ansatz „27 minus“, worunter er offenbar Abstimmungen ohne die britischen und dänischen Abgeordneten verstand. Der CDU-Abgeordnete Elmar Brok berichtete von einer Tagung der Europäischen Volkspartei in Bukarest, dass es auch in der christlich-demokratischen Parteienfamilie Präferenzen für ein Modell „27 minus“ gebe.

SPD-Kanzlerkandidat Peer Steinbrück, der als erster in der Debatte nach der Regierungserklärung sprach, griff Merkel scharf an. Sie habe ein doppeltes Spiel betrieben, indem sie einerseits Koalitionspolitiker gewähren ließe, die Ressentiments gegen die deutsche Zahlmeisterrolle geschürt hätten. Andererseits habe sie sich diese Position nicht zu eigen gemacht, um nicht in Brüssel an Ansehen zu verlieren. Der frühere Finanzminister forderte Merkel auf, die Bürger darauf vorzubereiten, dass sie mehr für die europäische Integration zahlen müssten.

Merkel und Steinbrück für Verbleib Griechenlands in Währungsunion

Die Bundeskanzlerin regte an, zeitlich befristet einen neuen Fonds „als neues Element der Solidarität“ in Europa einzurichten. Aus ihm sollten projektbezogen Mittel überwiesen werden, um Reformen in den EU-Staaten zu unterstützen. Dieser Topf sollte aber nicht nur den Euro-Staaten offenstehen, sondern allen Regierungen, die verbindliche Reformvereinbarungen mit der EU-Kommission schlossen. Sie wolle keine Spaltung der Europäischen Union. Der Fonds könnte aus den Einnahmen der geplanten Finanztransaktionssteuer gespeist werden. Dies werde vielleicht sogar dazu führen, dass mehr als die elf EU-Staaten, die dies bisher angekündigt hätten, die Finanztransaktionssteuer einführen wollten.

Merkel und Steinbrück sprachen sich beide für einen Verbleib Griechenlands in der Währungsunion aus. Merkel warf der Regierung in Athen zwar Reform-Versäumnisse vor, aber zugleich bekräftigte sie ihre Aussage: „Ich wünsche mir, dass Griechenland im Euroraum bleibt.“ Der SPD-Politiker warnte vor einem Ausscheiden Griechenlands aus der Währungsunion. „Wenn erst einmal der erste Stein aus diesem Gebäude herausgebrochen ist, werden weitere folgen.“

Der FDP-Fraktionsvorsitzende Rainer Brüderle mahnte, es dürfe keine Leistung ohne Gegenleistung geben. „Ein Fass ohne Boden darf es nicht geben.“ Man werde allenfalls über kleinere Zugeständnisse auf der Zeitachse mit der griechischen Regierung reden können. „Eine Finanzierung von Reformpausen wird es nicht geben dürfen.“ Der Vorsitzende der Linken-Fraktion, Gregor Gysi, nannte Schäubles Vorstoß, ein Sperrkonto für Griechenland einzurichten, falsch. Die Fraktionsvorsitzende der Grünen Renate Künast sprach von einer kruden Idee. Der Finanzminister will erreichen, dass die Hilfen der Euroländer nur genutzt werden können, um fällige Schulden zu tilgen, nicht aber, um neue Lücken im Haushalt zu stopfen. So will er eine Insolvenz des Eurostaates ausschließen.

Quelle: F.A.Z.