

E.U. Votes To Have A Single Regulator For Its Banks

by [Jim Zarroli](#)

December 13, 2012 3:00 PM

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AUDIE CORNISH, HOST:

From NPR News, this is ALL THINGS CONSIDERED. I'm Audie Cornish.

ROBERT SIEGEL, HOST:

And I'm Robert Siegel.

European leaders have taken a big step forward in their efforts to address the continent's debt problems. At a meeting today in Brussels, they approved the idea of a single regulator who would have power over most of Europe's banks. Officials say such a regulator could have averted the kind of credit bust that has crippled the economies of Spain, Greece and Ireland.

NPR's Jim Zarroli has that story.

JIM ZARROLI, BYLINE: The debate over what to do about Europe's banks has been an especially long and difficult one. And the meeting in Brussels dragged on for 14 hours before (unintelligible), who holds the rotating presidency of the European Union, could announce an agreement.

UNIDENTIFIED MAN: I guess it's a Christmas present for us. But it's also a Christmas present for the whole of Europe, a step forward, a step in the right direction.

ZARROLI: A lot of details have to be worked out. But the agreement will set up a single regulatory body - much like the Federal Reserve in the United States - that will hold sway over the medium and large banks in the countries that use the euro. The regulator will also have the authority to intervene when small banks get into trouble.

Nicolas Veron is a visiting fellow at the Peterson Institute for International Economics.

NICOLAS VERON: This is a very significant deal. This is not one of those usual European surges. This is a transformation of the landscape.

ZARROLI: Veron says one of the big reasons why countries such as Spain and Ireland got into so much trouble was that their banks did a lot of reckless lending. Spain in particular fell victim to an enormous real estate bubble, and when it popped banks were left with mountains of bad debt, and that undermined confidence in banks all over the continent.

Veron says the European financial sector is big enough overall that it should have come to the rescue of these troubled banks and recapitalized them. But under Europe's Balkanized regulatory system, banks and small countries like Ireland more or less had to fend for themselves. Veron says the plan adopted last night should change that.

VERON: Now finally, European leaders have accepted that they needed to be serious about a more centralized system of supervision, if they wanted to get a handle on this.

ZARROLI: But European countries will pay a price for the new system. The new regulator will have the authority to set capital requirements for banks. That means it will have the power to decide how much the banks can lend and how much they have to keep in reserve.

Economist Simon Johnson, of MIT, says this has been an especially contentious issue in Europe. Officials in each country have wielded considerable power over their own banks and have sometimes been accused of using it for political purposes. Johnson says the new regulator will inevitably mean a loss of sovereignty for the countries.

SIMON JOHNSON: The politicians are going to have to back away from the banks in Europe to a degree that they haven't done for 100 years. So this is going to be big if they can actually implement it.

ZARROLI: But as the debt crisis has dragged on, European leaders have slowly come to accept the fact that the banking system has to change.

One big question still on the table is what will happen to European countries that don't use the euro. Sweden and the United Kingdom, among others, have said they won't be part of the new regulatory body. England has some of the largest and most powerful banks in the world, but after today's agreement they'll increasingly find themselves playing by a different set of financial regulations and isolated from the rest of Europe.

Jim Zarroli, NPR News.

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12/13/2012 06:06 PM

Hollande's World

French in Denial as Crisis Deepens

By Romain Leick

In the midst of the economic crisis, France's Socialists are denying reality. The minister of industrial renewal is calling for nationalization of some industries, while the president shies away from necessary structural reforms. Business leaders fear the clock has been turned back 30 years.

The minister compares his office with a position on the battlefield, one that you only leave as a fallen soldier -- or when the last bullet has been shot.

Arnaud Montebourg, the French minister of industrial renewal, carries his head high. In his mind, politics is a combat sport. A shiny, decorative sword hangs on the wall behind him in his office on the third floor of the enormous Ministry of the Economy, Finances and Industry in Paris. The 50-year-old combative politician tends to rush headlong into battle, but he is often left with no choice but to carry out the maneuver he despises the most: retreat.

That was the case last weekend, after Montebourg had become locked in a spectacular wrestling match with the steel giant ArcelorMittal, which employs 20,000 people at 150 sites in France. In Florange, north of the city of Metz, which sits near the borders with Germany and Luxembourg, the company planned to permanently shut down two blast furnaces and lay off 630 workers.

The industrial site, in the economically depressed Lorraine region, has long been unprofitable, and ArcelorMittal suffers from overcapacity. The plant closing probably wouldn't have attracted much attention, but Montebourg, who sees the preservation of industrial jobs as his primary goal, needed a success -- and forgot the principle of proportionality.

Instead, he brought out the biggest gun in the Socialist government's arsenal, and threatened the company with the temporary nationalization of the Florange site, and declared its main shareholder and CEO, Indian steel magnate Lakshmi Mittal, to be a persona non grata because he doesn't respect France. Mittal was shocked and requested a meeting with French President François Hollande. Prime Minister Jean-Marc Ayrault was forced to recognize that Montebourg had set a fuse which, if lit, could cause the government to explode.

Good Versus Evil

France's business leaders felt as if they had been set back 30 years, to a time when the first Socialist president of the Fifth Republic, François Mitterrand, began his term with a wave of nationalizations and, after two years, was forced to reverse his policy. Some even drew a comparison with 1945, when the government nationalized automaker Renault after accusing it of having collaborated with the enemy. Wasn't Montebourg, who had always been an eloquent preacher of deglobalization, dividing business owners into different camps, good and evil, patriotic and unpatriotic?

"Has the government forgotten that nationalization means expropriation?" asked Laurence Parisot, the appalled head of MEDEF, the employers' union.

The liberal economist Nicolas Baverez, who predicted "France's downfall" 10 years ago and has just written a book titled "Réveillez-Vous" ("Wake Up"), saw the wrangling over Florange as proof that the French left still

hasn't accepted globalization, and acts as if the country were an economic and cultural preserve. "The idea of nationalization sends an ominous message to all investors," Baverez said.

Even Finance Minister Pierre Moscovici carefully distanced himself from Montebourg, saying: "Our policy differs from the past experiences of leftists in power."

But the workers at the Florange site and their unions were thrilled with Montebourg's threat. According to a snap poll, a majority of the French people and, in particular, leftist voters, appreciate such showdowns with the *patrons*, or business owners. It's no accident that France's young people see working in the public sector as the ideal professional career. The government promises protection and security.

'Culture of Equality'

France is characterized by a "culture of equality," not one of competition, says historian Emmanuel Todd, noting that this is a legacy of the French Revolution. It seems only logical that Montebourg is sometimes compared with Louis Antoine de Saint-Just, the Jacobin executioner who denounced others in the name of the people.

But Hollande and Ayrault realized that this time the minister was probably on the wrong track. The prime minister withdrew the threat to nationalize Florange, and in return ArcelorMittal agreed to avoid layoffs at the site, although the two blast furnaces will remain shut down.

The drama over a few hundred jobs would probably be little more than an odd political comedy if it didn't highlight France's current situation and the president's dilemma. Hollande knows that he has to break open fossilized habits and structures, even though the society, like the Socialists, is stuck in its old way of thinking. He is also aware that one reason he was elected to succeed the high-strung and confrontational Nicolas Sarkozy was so that he could reassure the French, not stir them up and frighten them.

Hollande's efforts to reassure people are evident in his rhetoric. When Louis Gallois, the former head of the European Aeronautic Defence and Space Company (EADS), wrote a government-commissioned report, in which he called for electroshocks to improve French competitiveness, Hollande turned it into a "pact."

Instead of referring to structural reforms, he uses the seemingly harmless word "change." And when companies complain about the lack of "flexibility" in the French labor market, Hollande promises more "malleability."

The shift from the class struggle to a German-style social democracy, which is still something akin to heresy for the French left, amounts to a "Copernican revolution," says Finance Minister Moscovici. As if it weren't self-evident, he constantly tells his fellow party members and his voters: "Being leftist doesn't just mean distributing; it also means producing. Being leftist doesn't just mean supporting purchasing power, but also strengthening supply. And being leftist also means knowing that there is no reform policy without social dialogue."

The country, which derives its national identity from the Revolution, lacks this culture of compromise and consensus, which is why France often sees chaotic and violent outbursts of protest for relatively minor reasons. The unions don't go on strike when negotiations with employers have failed, but before they have even begun -- a questionable approach to impressing one's opponent.

The 'Party of Fear'

France is worried, France is beset by doubts and France is depressed, says writer Jean d'Ormesson, a member of the Académie Française. The philosopher Pascal Bruckner confirms his diagnosis: "France's biggest party is the party of fear. The French are afraid of the world, afraid of others and, most of all, afraid of their own fear."

This leads them to turn a blind eye to reality. They feel vindicated in their repression of reality by the crowds of tourists in the country, who value France precisely because of the museum-like quality of its *savoir vivre*.

President Hollande, a cautious tactician by nature who prefers to bypass obstacles rather than to jump over them, initially believed that he could take his time with the introduction of important reforms. One of the reasons he chose Ayrault to head his government was because of Ayrault's complacent approach. Together, Hollande and Ayrault allowed half a year to pass without embarking on any significant reforms. It was lost time, former Prime Minister Michel Rocard, the *éminence grise* of the Socialists, said recently.

A Plethora of Public Servants

Even former EADS chief Gallois, an advocate of the rapid restoration of French competitiveness, had to admit that a program like Germany's Agenda 2010 package of reforms would not be accepted in France. Nevertheless, he did not mince words in his report on the state of the French economy, noting that industry's share of economic output has declined from 18 percent in 2000 to 12.5 percent today. This puts France in 15th place among the 17 countries in the euro zone, and significantly behind Italy. The country's industrial sector has lost 2 million jobs since the Mitterrand era. In 2011, France had a trade deficit of €71.2 billion (\$93.1 billion), compared with a surplus of €3.5 billion in 2002. At the same time, the national debt has grown to 90 percent of the gross domestic product.

"Whenever a new problem popped up in the last 25 years, our country reacted by increasing spending," says banker Michel Pébereau.

Public sector spending now accounts for almost 57 percent of GDP, more than in Sweden or Germany. For every 1,000 residents, there are 90 public servants (compared with only about 50 in Germany). The public sector employs 22 percent of all workers.

La douce France is a sleepy country of bureaucrats and government officials who want their peace and quiet. But the bad news is beginning to pile up for Hollande.

Rising Unemployment

Montebourg's agitation can be partially explained by the fact that since the Socialists came to power, the country has added another 150,000 unemployed, bringing the national unemployment rate to 10.7 percent. Some 45,000 people were added to the unemployment rolls in October alone. Instead of straightening up industry, Montebourg is preoccupied with fighting redundancy programs.

Only now has the government brought itself to grant companies €20 billion in tax relief to reduce labor costs. But it was a somewhat half-hearted step. Gallois considered €30 to €50 billion necessary. Last week, the government was confronted with another disastrous report, this time on the situation facing France's young people, who have been especially hard-hit by poverty and unemployment.

Sociologist Olivier Galland, who headed the study, detects a feeling of bitterness and abandonment among 16- to 25-year-olds. "All of the elements are in place that could trigger yet another explosion," like the one in the late fall of 2005, when there was rioting in the outskirts of major French cities.

"The system won't survive if we don't change," says Gérard Dussillol, a French expert on finance who works for a Franco-Belgian think-tank. He believes that "France, as a domino, can shake the entire system of the euro zone."

Karl Lagerfeld's 'Spa Tax'

Even fashion designer Karl Lagerfeld no longer has anything good to say about his adopted country, where he claims to pay €2 million in annual taxes, which he calls "a sort of spa tax to the French state." French politics, with its symbolic tax on the rich, has become "grotesque," says Lagerfeld, while the French have "sterilized themselves intellectually." The only thing that still works in the country is fashion, he said in an interview in Berlin.

There are many indications that time is running out for Hollande, that Prime Minister Ayrault's days could already be numbered, and that the valiant knight Montebourg, who had initially aspired to be Ayrault's successor, is more likely waging a tragic battle against the windmills of globalization.

A recent issue of the magazine supplement to the daily newspaper *Le Parisien*, showed Montebourg photographed wearing a blue-and-white striped shirt made by the Breton clothing manufacturer Armor Lux, holding up a "made-in-France" Moulinex mixer. It was an emblem of the old France, at a time when there was no globalization and the world was still all right.

Translated from the German by Christopher Sultan.

Mehr Integration in Europa

Allmächtige EZB

13.12.2012 · Wie streng wird die Europäische Zentralbank mit den Geldinstituten sein, die sie als Zombie-Banken am Leben hält? - So sinnvoll eine gemeinsame Aufsicht über europäische Banken ist, so schlecht ist eine Aufsicht unter dem Dach der EZB. Eine Analyse.

Von [Holger Steltzner](#)

Lieber heute als morgen sollen auch niederländische, finnische oder deutsche Steuerzahler für marode Sparkassen in Spanien und wacklige Großbanken in Frankreich oder Italien haften. Auf Zypern sollen die Bürger sogar Bankeinlagen aus dubiosen russischen Quellen vor Verlusten schützen. Die Staats- und Regierungschefs der EU werden die von der Eurogruppe beschlossene Bankenunion passieren lassen. **Damit wird die Europäische Zentralbank (EZB) zum Bankenaufseher und kann als Superbehörde Geldinstitute finanzieren oder schließen und darüber hinaus entscheiden, welcher Staat sich am Markt zu welchem Zins finanzieren kann.**

Die EZB wird aus **gutem Grund demokratisch nicht kontrolliert**, weil sie ihrer ursprünglichen Aufgabe - der Geldpolitik mit dem Ziel Preisniveaustabilität - unabhängig von der Politik nachgehen sollte. **Was für die Geldpolitik gut ist, passt aber nicht zur Funktion als Aufsichtsbehörde. Würde die EZB in ihrer neuen Rolle hoheitliche Akte wie etwa die Schließung einer Bank vollziehen, dann müsste nach den Eignern letztlich der Steuerzahler für die Verluste eintreten. Sollen in der Eurozone künftig nicht mehr Parlamente über die Verwendung von Steuergeld entscheiden? Dann drohte die Aushöhlung der Demokratie von innen.**

Die Trennung zwischen Geldpolitik und Aufsicht dürfte praktisch so durchlässig sein wie ein Sieb

„Wir haben sichergestellt, dass der Rat nicht das Letztentscheidungsrecht hat“ - in diesem Satz von Bundesfinanzminister Schäuble versteckt sich die Chinesische Mauer zwischen Geldpolitik und Aufsicht. Im praktischen Leben dürfte sie so durchlässig sein wie ein Sieb. **Frankreich und Südeuropa feiern die Vergemeinschaftung der Bankenschulden durch die Bankenunion** und die Tatsache, dass die Aufsicht unter dem Dach der EZB angesiedelt ist, die ja ohnehin die Banken finanziert. **Für die Wackelbanken aus Südeuropa und Irland ist das ein Riesenerfolg, weil damit auch milliardenschwere Altlasten auf die Schultern aller Euro-Steuerzahler verteilt werden können: Die Schulden der Banken im Euro-Raum sind dreimal so hoch wie die Staatsschulden aller Euro-Länder.**

Viele Deutsche erinnern sich noch daran, wie teuer die „Rettung“ der Landesbanken oder der Hypo Real Estate ist. Dennoch will auch Schäuble die Bankenunion als Erfolg verkaufen, weil die EZB nur für die Großbanken zuständig sei und es angeblich eine strikte Trennung zwischen Geldpolitik und Aufsicht gebe. Die Finanzkrise lehrt aber, dass auch kleine Banken große Verluste bescheren können. Wenn kleine Banken vernetzt und dadurch systemrelevant sind, schlupfen sie im Krisenfall selbstverständlich unter die Fittiche der EZB.

Demokratische Scheinlegitimation

Für eine demokratische Scheinlegitimation soll ein neues Aufsichtsgremium sorgen, in dem neben Vertretern aus den Euro-Staaten vier EZB-Mitglieder Sitz und Stimme haben. Damit hat zwar formal der geldpolitische Rat der EZB kein Letztentscheidungsrecht, aber er hat ein Vetorecht. Und da die Zentralbank kaum nachgeordnetes Personal in das neue Gremium schicken und die EZB dank ihres natürlichen

Informationsvorsprungs die Sitzungen vorbereiten und dominieren dürfte, geht die Beschwörung der Trennung von Geldpolitik und Aufsicht an der Wirklichkeit vorbei.

Noch schlimmer ist, dass sich die Bundesregierung nicht mit dem Vorschlag durchsetzen konnte, dass im Aufsichtsgremium über die Verteilung von Milliardenrisiken entsprechend dem Kapitalanteil abgestimmt wird. Entschieden wird mit einfacher Mehrheit, also wie in der EZB. Zypern hat also auch dort dasselbe Gewicht wie Deutschland, obwohl der deutsche Steuerzahler fast ein Drittel des Risikos oder der Kosten trägt.

In akuten Notfällen geht es auch ohne Bankenunion

Man mag einwenden, die Trennung von Aufsicht und Geldpolitik sei nur etwas für verstaubte Ordnungspolitiker. Dem darf man entgegenhalten, dass die Abkehr vom ordnungspolitischen Grundprinzip der Einheit von Entscheidung und Haftung Europa erst in die Krise geführt hat. Da in akuten Notfällen wie etwa Bankia in Spanien auch ohne Bankenunion geholfen werden kann, gibt es keinen Grund für eine überstürzte Einführung dieser nicht durchdachten Bankenunion. **So sinnvoll eine gemeinsame Aufsicht über europäische Banken ist, so schlecht ist eine Aufsicht unter dem Dach der Europäischen Zentralbank. Bislang ist die EZB nur der Preisstabilität verpflichtet, künftig lebt sie in einem Zielkonflikt mit der Aufsicht. Wie wird sie entscheiden, wenn steigende Inflationsraten eigentlich eine Zinserhöhung nötig machen, diese aber Banken zum Einsturz bringen könnte?**

Schließlich sind Zweifel daran erlaubt, dass die EZB streng mit jenen Geldinstituten umspringen wird, die sie seit Jahren mit immer neuen Milliardenspritzen als Zombie-Banken am Leben hält. **Ein Aufseher braucht Biss. Den hat die EZB schon deshalb nicht, weil ihr bei der Abwicklung einer Bank selbst die größten Verluste drohen. Denn sie hat in riesigem Umfang Schrottpapiere als Sicherheit für die Finanzierung von Wackelbanken akzeptiert. Fiele eine solche Bank, wäre das Eigenkapital der EZB schnell verloren.** Folglich dürfte die Zentralbank selbst Banken ohne Geschäftsmodell und Überlebenschance für heilbar erklären und verlangen, sie aus dem Euro-Rettungstopf ESM mit frischem Kapital zu versorgen. **Mit dieser Bankenunion macht die Politik den Bock zum Gärtner.**

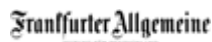
[den Bock zum Gärtner machen](#)

[to set a fox to keep the geese](#)idiom

[to set a thief to catch a thief](#)idiom

[to trust the cat to keep the cream](#)idiom

[to put the fox in charge of the henhouse](#)idiom

Frankfurter Allgemeine
FRANKFURT AM MAIN

While joint supervision of European banks makes sense, placing that supervisory authority under the roof of the ECB is very far from being a sound idea. Until now, the sole obligation of the ECB was to ensure price stability. Henceforth, the supervisory role will force it to live with a conflict of objectives. How will it decide if inflation requires an increase in interest rates, when that is precisely what may bring down the banks? Finally, one may doubt whether the ECB will come down all that harshly on financial institutions that they have been keeping alive as zombie banks for years by injecting money into them.

So sinnvoll eine gemeinsame Aufsicht über europäische Banken ist, so schlecht ist eine Aufsicht unter dem Dach der Europäischen Zentralbank. Bislang ist die EZB nur der Preisstabilität verpflichtet, künftig lebt sie in einem Zielkonflikt mit der Aufsicht. Wie wird sie entscheiden, wenn steigende Inflationsraten eigentlich eine Zinserhöhung nötig machen, diese aber Banken zum Einsturz bringen könnte?

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December 13, 2012

With Controls, Britain Allows Hydraulic Fracturing to Explore for Gas

By STANLEY REED

LONDON — The British government gave the go-ahead Thursday for exploratory hydraulic fracturing, or fracking, to extract [natural gas](#) from shale-rock deposits.

Because of the environmental concerns about the controversial technique, which include the risk of water pollution, the government called for stringent controls on fracking. But the decision nonetheless potentially opens the door for a shale gas industry to begin developing in Western Europe, even though many governments on the Continent remain wary. Poland has already allowed big energy companies to do exploratory drilling.

Europe is the world's second-largest gas market, but it is becoming increasingly dependent on expensive imported gas from places like Russia and Algeria.

"Shale gas represents a promising new potential resource for the U.K.," Edward Davey, the energy and climate change secretary, said in a statement. "We are still in the very early stages of shale gas exploration in the U.K., and it is likely to develop slowly."

With the British economy flagging, the government is under pressure from business to encourage the use of natural gas in power generation alongside its large recent commitment to energy sources like offshore wind and nuclear. Those sources are lower emitters of carbon, but costly. The renewables add to electricity costs in Europe, as do the currently high gas prices, which are approximately double those in the United States.

Prices in the United States are lower largely as a result of the increased production of shale gas, despite the opposition of environmentalists.

The gas industry and other interests argue that shale gas, which burns cleaner than coal, could contribute to making gas a logical transition fuel until low-carbon energy sources are sufficiently developed to take over the load. Substantial amounts of shale gas could also help compensate for the decline of [oil](#) and gas production in the North Sea, a mainstay of the British economy.

Shale gas "could contribute significantly to our energy security, reducing our reliance on imported gas as we move to a low-carbon economy," Mr. Davey said.

Some European industries are being hurt by high natural gas prices. "We are seeing energy-intensive industry choosing to invest in the U.S. rather than in Europe," said Catherine Robinson, an analyst with the market research firm IHS CERA in London.

Britain, where the government is relatively well disposed to shale gas, is viewed as something of a bellwether. If shale gas catches hold in Britain and there are no major problems, its prospects on the Continent might look better as well.

"We now see the U.K. as the front-runner in this story, along with Poland," said Menno Koch, an analyst at Lambert Energy Advisory in London.

But there is strong opposition to shale gas in Europe, particularly in Western Europe. France, for instance, which is viewed as having some of the most promising shale oil and gas prospects, particularly in the Paris area, has banned fracking.

The German state of North Rhine-Westphalia has formally halted the practice, and Lower Saxony state, where Exxon Mobil has done some drilling, has refused to let the company continue. On Friday, Germany's upper house of Parliament will vote on legislation that would ban the practice, pending a further, government-led assessment of the risks involved.

The main concerns, which have quickly spread to Europe from the United States, center on hydraulic fracturing, the practice of pumping large quantities of fluids into wells to loosen the rock formations and enable the gas to flow. The fear is that the fracking fluids might escape from the wells and pollute drinking water and the surrounding countryside. Another concern is that the shale gas industry, which requires drilling many wells, is not suited to the densely populated landscapes that characterize much of Western Europe.

"Pinning the U.K.'s energy hopes on an unsubstantiated, polluting fuel is a massive gamble, and consumers and the climate will end up paying the price," the environmental group Greenpeace said Thursday in a statement from London.

The group derided the decision as the government's "dream of building Dallas in Lancashire" and referred to it as "a dangerous fantasy."

Countries in Eastern Europe like Poland, Ukraine and Lithuania are more open to shale gas, both to generate jobs and to ease their dependence on Russian gas. Chevron and Eni of Italy, among other companies, are in the early stages of exploratory drilling in Poland. Bulgaria, another Eastern European country thought to have shale gas potential, has put a moratorium on exploration.

The British government is putting in place a system designed to shut down any fracturing operation before it can cause damage. It is also setting up an Office of Unconventional Gas and Oil, to monitor and potentially aid the development of the new industry.

The decision in Britain on Thursday is encouraging for a handful of companies interested in exploring for shale gas in the country. That includes, most notably, [Cuadrilla Resources](#), which has already spent tens of millions of dollars on a handful of shale gas wells in the Blackpool area of northwestern England. Cuadrilla is backed by the American [private equity](#) firm Riverstone Holdings, whose European chief is John Browne, the former chief executive of the oil giant BP. Mr. Browne is also chairman of Cuadrilla's board.

Cuadrilla's chief executive, Francis Egan, said in a statement, "Today's news is a turning point for the country's energy future."

Cuadrilla set back the shale gas cause in Britain and Europe when fracking on one of its wells set off two small earthquakes in April and May 2011. A subsequent study commissioned by the British government found that the fracking fluid had destabilized a fault in the earth, causing it "to fail repeatedly in a series of small earthquakes."

The tremors did some damage to the well but did not compromise its integrity and were not strong enough to cause structural damage outside, the study said. But the government said Thursday that it had concluded "that the seismic risks associated with fracking can be managed effectively with controls."

Cuadrilla ceased fracking operations after the quakes, although it has been doing preparatory drilling at a site called Anna's Road.

Mr. Egan said that based on Cuadrilla's work, the company thought there could be 200 trillion cubic feet of shale gas in the thick rock layers beneath the company's 347-square-mile concession in Lancashire. If only 10 percent were recoverable, that could be enough gas to supply Britain for around seven years.

Whether gas will flow in commercial quantities has yet to be established, although the early tests were encouraging. To find out, Cuadrilla wants to fracture at least three wells, some of which have already been drilled.

Before it starts fracking, Cuadrilla still needs to clear various hurdles, including getting local permission. A Cuadrilla spokesman, Neil Cameron, said that the earliest the company was likely to be able to go ahead was in March.

Fracking is likely to stir opposition from environmental activists. Last year three people from a small group called [Frack Off](#) entered a Cuadrilla site and chained themselves to the equipment. They were found guilty of trespassing and fined. Frack Off says it worries that huge swaths of the British Isles will be opened up to various types of mineral exploitation, including shale gas and coal bed methane, another unconventional gas technique.

“This now threatens our landscape, and local people are going to be in the firing line,” Andrew West, a Frack Off campaigner, said by telephone. “The resistance is growing.”

Melissa Eddy contributed reporting from Berlin.

December 14, 2012

The Challenge of Muslim Youth

OP-ED By NAJIB RAZAK

Profound change is underway in the Middle East and North Africa. It is too early to be definitive about causes, but I believe there is a common thread: young people in Islamic societies face an opportunity deficit.

The Arab awakening was driven by youth, organized by technology, and fired by a hunger for political change. In seeking more open societies and more responsive governments, young Arabs demonstrated a yearning for democracy. But they also expressed a deep sense of loss — not just of personal or political freedom, but of opportunity.

This unrest was the result of a basic misallocation of resources. Not natural resources, or capital, but people. The underrepresentation of youth in the economy created conditions in which tensions could grow — tensions that were fanned by a lack of political reform. Politically and economically disenfranchised, young people found an outlet in protest.

These pressures are not unique to Arab countries; they are felt throughout the world. Many young Muslims see no opportunities for themselves and do not feel they have control over their lives or a stake in their nation's future. Such pessimism leads to disengagement. We risk losing a generation of young Muslims to apathy and extremism.

As a leader of a majority-Muslim nation, I believe Islamic countries must better understand what young people aspire to. This means comprehending two great changes affecting their lives.

The first is demographic: The Muslim world is experiencing a “youth bulge.” In 2010, people under 30 comprised about 60 percent of the population in Muslim-majority countries. A younger population means a bigger labor force. Higher investment and capital is needed to utilize this spare capacity. A big demographic change can warp fiscal policy for decades, as “baby boomer” countries are discovering. In social terms, the short-term impact can be even greater. A youth bulge introduces latent energy into a nation's economy and society. Left untapped, it can become a destabilizing force.

In 2010, youth unemployment in the Middle East was 25 percent; in North Africa, 24 percent. Such levels are toxic. When young people lack opportunity, they grow restless. Dependency robs them of their dignity; without an economic stake in society, they can lose their sense of belonging. That can spill over into hostility to the state. From 1970 to 2000, eight out of 10 countries experiencing new civil conflict had populations in which 60 percent were under 30.

The second great change is technological. Twenty-one years ago, there were no Web sites; today, there are more than half a billion. In the space of one lifetime, the Internet has opened up opportunities that were previously inconceivable.

The age of information has its own generation, the digital natives — those who have only ever known a connected world. They expect information to be free, democracy to be responsive, communication to be global. They want an active role in the digital economy.

Empowered by technology, young people can articulate their frustrations to a global audience. This has a profound implication: the emergence of a new, international political consciousness.

These two forces — demography and technology — shape young people's aspirations. In an age of self-determination, they crave freedom of opportunity. They aspire to world-class education. And they demand open

and accountable government. Our challenge is to deliver those freedoms without sacrificing our traditions. But this is only possible if we show leadership and commit to reform.

Access to education is improving, but many young people still find that their qualifications do not match the opportunities available, so we must focus on vocational and technical training. We should also continue to open our economies: 23 percent of the world's people are Muslim, but the 57 members of the Organization of Islamic Cooperation conduct just 8.3 percent of global trade. Structural reforms must be pursued so that our private sectors become more dynamic. We must reform public services and confront institutions that stifle opportunity, remaining ever vigilant against corruption.

We must also respond to technological change. Our starting point must be recognition of the fundamental principle of the Internet — its autonomy. It should stay that way. This does not mean unregulated behavior, but independence. We should equip our youth with the skills to think critically about sources, to understand that just because information is free does not mean it is accurate. But the online space should remain one in which the free exchange of views is encouraged, in the best traditions of discourse.

As a Muslim nation, Malaysia faces many of these challenges. I believe we should see our youth not as a liability, but as an asset. They are an untapped resource that can lay the foundations for great success. Economic and political reform can give young people what they aspire to: a future defined by opportunity, not dependency. It is time to realize the hidden wealth of Muslim nations.

Najib Razak is prime minister of Malaysia.

Wort des Jahres

Gegen die Routine

14.12.2012 · „Rettungsroutine“ ist das Wort des Jahres. Das sollte aufrütteln. Denn der Kampf um gutes, stabiles Geld in Europa ist längst nicht gewonnen.

Von [Holger Steltzner](#)

Naht Rettung, wird alles gut. Rettung hilft sofort. Aber nicht den Griechen. Brüssel, Berlin und der Rest Europas retten Griechenland seit dem 11. Februar 2010, besser wurde nichts, nur schlimmer.

Da für die Politik aber nicht sein kann, was nicht sein darf, darf auch nicht gesagt werden, was ist. Den Kampf um die Deutungshoheit suchen die Retter zu gewinnen durch immer neue Wortschleier der politischen Vernebelung. Dagegen hilft nur die Konfrontation mit der Wirklichkeit. Beschwören die Rettungseuropäer die Stabilitätsunion, konfrontiert man sie mit der Inflationsunion. Beharren sie darauf, dass die Rettung kein Geld koste und Recht nicht gebeugt werde, muss man sie Illusionskünstler nennen. Wird Hilfe „nur gegen Auflagen“ gewährt und wieder eine neue rote Linie gezogen, ergibt das übersetzt eben doch eine Transferunion.

Das Retten wird so zum Wortspiel, wenn es nur nicht so ernst wäre. Weil die Rettung wie die Euro-Krise nicht enden will und selbst unvorstellbare Summen nicht mehr schrecken, kehrt im Lauf der Zeit auf beiden Seiten Routine ein. Doch Routine schläfert ein. Das Wort des Jahres sollte aufrütteln. Denn der Kampf um gutes, stabiles Geld in Europa ist längst nicht gewonnen.

Quelle: F.A.Z.

December 14, 2012

A Step Forward in the Euro Crisis

After much discussion and delay, European leaders this week [agreed](#) to designate a single supervisor for large banks in the 17 countries that use the euro. The move is a good first step toward establishing a banking union that could help stabilize the troubled single-currency bloc — but only if it is quickly followed by other measures, like deposit insurance, a system to recapitalize or shut down weak banks, and, eventually, the establishment of a fiscal and political union.

Under the terms of the latest agreement, the European Central Bank would supervise banks with assets of more than 30 billion euros or assets amounting to more than 20 percent of a nation's output, though it would also have the power to look into the affairs of any other euro zone bank at any time. (Countries that are members of the European Union but do not use the euro, like Britain, are expected to opt out of the E.C.B.'s supervision.) Once the agreement is ratified by individual European parliaments, the central bank would begin its new role as soon as March and take full control by 2014.

The E.C.B. would have the power to monitor lending and capital reserves at large banks and force them to change unsound practices. This could help restore some investors' confidence in the financial system, but it won't necessarily be enough if the supervisory powers are seen as too narrow.

Policy makers need to move quickly to the next step: giving the E.C.B. or another central agency the power to create a central authority that insures public deposits across the euro zone and the ability to wind down weak banks or directly recapitalize them. Such measures would help complete the banking union and are an essential step toward making the euro a structurally sound currency.

In a separate, positive move, European finance ministers have approved the release of a long-delayed 34.3 billion euro (\$44.8 billion) loan package to Greece, though they were unable to sort out the terms of aid for Cyprus.

On Friday, European heads of state [said](#) they would like to reach an agreement by June on centrally administered deposit insurance and on assisting or shutting down weak banks. But many analysts argue that these contentious measures are not likely to be agreed upon until after Germany, the largest euro-zone economy, elects a new Parliament in late 2013. Such a delay would be harmful because even once any agreements are signed it will take many months to carry them out.

December 14, 2012

With European Bank in Spotlight, Bundesbank Is Left in Shadows



Mustafah Abdulaziz for The New York Times

The Bundesbank, Germany's central bank, built in 1967 in Frankfurt.

By [NICHOLAS KULISH](#)

FRANKFURT — The exposed-concrete slab of the Bundesbank headquarters stands like a bulwark outside the downtown financial district here, a stolid, Brutalist structure that in its sheer mass evokes not just the German central bank's stubborn resistance to change but, above all, its obsessive commitment to crushing inflation.

Built 45 years ago, the modernist building is hardly old by European standards, yet it is a temple to tradition, embodying the ethos of this most conservative of institutions. "We are trying to keep it just the way it is," said Reiner Bruckhaus, head of the bank's centralized construction management division.

That starts with the granite floors, the Barcelona chairs in the lobby (designed by the Bauhaus great Ludwig Mies van der Rohe), and the grand, white Carrara marble by the elevators, and goes all the way up to the wood grid ceilings on the top floor. "You will find not even the slightest changes," Mr. Bruckhaus said.

When the building was erected in 1967, the Bundesbank's dominance in European monetary policy went unchallenged. But in the hazy distance of the Frankfurt skyline, significant change is evident in the outline of two towers and three cranes, the new headquarters of the [European Central Bank](#) — a visible reminder of the institution that has supplanted the Bundesbank, just as the euro replaced the German mark.

European leaders established the European Central Bank's headquarters in Frankfurt as a symbol of its status as heir to the Bundesbank. But the danger posed by Europe's continuing [debt crisis](#) demanded improvisations at odds with the Bundesbank's conservative teachings.

Over the summer the E.C.B.'s president, [Mario Draghi](#), pursued an expansive policy that was anathema to the old guard, whose cause was championed by the Bundesbank's youthful president, Jens Weidmann. He and his supporters base their views not, they say, on rigid orthodoxy but on experience gleaned from the disaster of hyperinflation and the success of adhering to a hard-money path.

In an increasingly uncomfortable pairing, the Bundesbank functions as the largest piece of the E.C.B. puzzle. With more than 9,500 full-time workers, the Bundesbank dwarfs the 1,600-strong central bank. Because of that

limited staff, the E.C.B. depends on the Bundesbank to handle many of the back-office functions of the common currency.

But the European Central Bank's influence continues to grow. Euro-zone finance ministers agreed to a deal Thursday to put 100 to 200 of their largest banks under its direct supervision.

The arranged marriage between the two banks will take enormous effort and flexibility. As its massive headquarters suggests, the Bundesbank is capable of enormous and sustained effort, but flexibility may be inimical to its nature.

Founded in 1957, the Bundesbank quickly grew into one of Germany's most respected institutions. The rank-and-file behind Mr. Weidmann, 44, represent an unusually tight-knit group, almost like a monastic order, and they are steeped in the bank's secular religion — often at the bank's own school, a kind of Hogwarts for its future financial wizards, in a hilltop 12th-century castle in the town of Hachenburg.

"You hear it in the first lecture," said Silke Frühklug, 32, a graduate and Bundesbank employee. "You hear it in the last lecture and every day in between: price stability."

Ms. Frühklug married a classmate and in her free time plays on the central bank's badminton team, which on a recent evening practiced in a gymnasium on the Bundesbank campus right after the handball team. The bank also has a theater society and "hobby artists" club, which exhibits in the lobby of the headquarters. It owns apartments for workers in tight real-estate markets like Munich and here in Frankfurt. Retired employees still lunch at the cafeteria, helping to nurture the all-important continuity.

"People feel connected with the goals of the bank," said Matthias Endres, 43, editor of the Bundesbank's internal magazine. Like Ms. Frühklug, he married a fellow graduate from the school in Hachenburg. He has vacationed with his wife and their three children at all three of the Bundesbank getaways, on the North Sea, in the Black Forest and on a lake in Bavaria.

Mr. Endres's wife, Simone, works part-time in the headquarters' Money Museum, which houses some 350,000 objects, of which roughly 1,300 are on display, including the worthless bills in denominations of millions and billions from the hyperinflation of the Weimar-era and examples of commodity money, like a gold bar, a tea brick and even a preserved cow standing near the entrance, a silent bovine greeter.

Museum visitors can try their hand at the Stability Game, which replicates the difficulty of managing money supply. Grasping the joystick, players inject and remove liquidity from the economy. But the game functions on a lag where, by the time the system begins lurching into inflation, it is too late to pull back. German policy makers, particularly at the Bundesbank, underline that peril every chance they get.

"As one of my predecessors said, 'If you flirt with inflation, you end up marrying inflation,' " Mr. Weidmann told an audience in Berlin last month.

Erich Keller, rector at the Deutsche Bundesbank University of Applied Sciences in Hachenburg, said, "We have a mantra, only one goal — price stability."

"This stability orientation is in the genes of the Bundesbank," he said. "We are bringing in those genes."

The Bundesbank bought the hilltop castle in 1974 for 3.9 million German marks, or what today would be around \$7.6 million. The goal was to have a place to train the core of the Civil Service, preferably away from the distractions and temptations of the corporate banking world.

Tuition is free. Students are technically civil servants and receive monthly stipends of around \$1,200 for recent high school graduates and roughly \$1,600 for previously trained bank employees. They have to pay back much of the money if they do not go to work for the Bundesbank or one of several other public institutions for at least five years.

“In the last course, we were talking about recent developments in monetary policy,” Thomas Fehrmann, the school’s deputy rector, said recently, “and it’s really hard for me to make clear to the students that there are some reasons why Mr. Draghi could be right. They are members of the club and soldiers for Mr. Weidmann.”

Officially, Mr. Weidmann is no more powerful than his colleagues from tiny euro member countries like Malta and Luxembourg. Unofficially, as representative of the [European Union](#)’s largest economy and head of the Bundesbank’s muscular staff of financial experts, he ranks behind only Mr. Draghi in influence and importance.

The German news media speculate about the tenor of the relationship between the two men the way gossip magazines track the “Twilight” stars. Since he pointedly opposed Mr. Draghi’s bond-buying plan, Mr. Weidmann regularly hears the question of when he will resign, like his predecessor, Axel Weber, did.

Mr. Weidmann has tried to play down the conflict, which hibernates until the mere promise to buy bonds awakens into action. “I’m not lonely in the E.C.B. board,” Mr. Weidmann said at the conference in Berlin.

He might feel lonely in the halls of the Bundesbank, however, if he had a change of heart and supported Mr. Draghi against the judgment of his own staff.

“We’re too conservative to boo him,” Ms. Frühklug said. “A lot of people would write e-mails.”

Jack Ewing contributed reporting.

EU summit and the euro crisis

Step by step, with a ripped map

Dec 14th 2012, 18:22 by by Charlemagne¹Brussels

IN JUNE this year, when Spain seemed to be close to succumbing to the crisis, European leaders appeared to make an important conceptual leap. The euro's agony could not be ended simply through ever-tougher enforcement of the fiscal rules, deficit-cutting and economic reforms by individual countries and, in extremis, bailout loans. Instead, the euro zone would have to start moving towards greater pooling of sovereignty and sharing of liabilities.

Six months on, the European summit (December 13th-14th) that was supposed to decide how to move towards a greater degree of fiscal federalism has just ended with a demonstration of how far European leaders have retreated from such notions. **Instead of approving a road-map to create what Eurocrats call “a genuine economic and monetary union” (an implicit admission that the existing currency zone is rather fake) over the coming decade, they agreed some limited steps for the coming 18 months.** Beyond that, there is silence. Only fragments remain of the “specific and time-bound roadmap”, as it is called, remain. **The destination is unknown.**

The plan was supposed to be a judicious balance of “**solidity**” (greater controls on national budgets and economic policy-making) and “**solidarity**” (mutualisation of debt and risks). **What is left on the map is mostly the right-hand turns towards solidity, but few of the left-hand turns towards solidarity.**

This is not to say that leaders have done nothing. On the eve of the summit governments agreed the creation of a new supervisor for euro-zone banks. The clean-up of Spain's banks using euro-zone loans is proceeding. **And the prospect of a Greek default and exit for the euro zone has been pushed back by a real softening of its bailout terms and, in hidden manner, the beginning of a debt write-off for Greece. But the idea of repairing once and for all the many underlying flaws in the design of the currency zone has faded away.**

The reasons are four-fold.

First, Germany and the creditors resist any suggestion that they should be made to pay for the problems of others. When they have agreed to stake their taxpayers' money it has been only at moments of acute crisis to forestall an imminent collapse.

This leads to the second factor: the **European Central Bank's** conditional promise to intervene in bond markets which, even without being acted upon, has already sharply lowered the borrowing costs of vulnerable countries and reduces pressure for all countries – creditors included – to rush ahead with politically unpalatable reforms.

This tendency to go slow is exacerbated by a third factor, **the German general election** in September next year, which now colors ever-more euro-zone business.

And even if Mrs Merkel were willing to push towards deep integration, she knows she would quickly run into **the fourth obstacle: France's reluctance to contemplate moves that would lead to yet another revision of the treaties.**

So the ranks of Eurocrats are experiencing the soldier's life of “rush-and-wait”. Apart from some maintenance, the wait is likely to go on until the German election – or until the next crisis forces them to rush around again.

Lost in the eurozone

The idea of the roadmap was born in May at an informal dinner of European leaders to get to know the newly elected French president, François Hollande. Herman Van Rompuy, president of the European Council (who chairs summits) said:

“Our discussion also demonstrated that we need to take EMU to a new stage. There was general consensus that we need to strengthen the economic union to make it commensurate with the monetary union.... Colleagues mentioned in this respect issues such as eurobonds in a time perspective, more integrated banking supervision and resolution, and a common deposit insurance scheme.”

By June Mr Van Rompuy had produced a report setting out four “building blocks” of reforms, which came to be known as “**banking union**” (to stabilise the banking sector), “**fiscal union**” (including fiscal discipline and joint bonds), “**economic union**” (to co-ordinate structural reforms, eg in labour policy) and “**political union**” (to enhance democratic legitimacy)

Banking union has moved most quickly. At the June summit, leaders [declared](#) that it was “imperative to break the vicious circle between banks and sovereigns”. They decided to create a new euro-zone supervisor. Thereafter euro-zone rescue funds could recapitalise troubled banks to relieve already-weak sovereigns from the extra burden of collapsed banks. Beyond this, Mr Van Rompuy envisaged a joint bank-resolution system (including joint funds raised from the financial sector) to restructure or wind up crippled banks, and a joint deposit-insurance scheme.

Some Eurocrats saw this move as important as the 1992 Maastricht treaty that laid the foundation for the euro, as it appeared to move members beyond the notion of each having to look after its own finances and economic policies towards a more integrated system.

Within days, however, Angela Merkel, the German chancellor, started to retreat from a potentially huge commitment to stand behind the euro zone’s banking system. Over the months, German officials sought to exclude many of their smaller banks from central supervision, pushed back the date for any bank-recapitalisation and insisted that it would exclude “legacy assets”. A system designed to help Spain and, perhaps, Ireland, now seems unlikely to help them.

After a protracted debate, the key elements of the supervision system were agreed at an all-night meeting this week. Finance ministers struck a tricky balance between the European Central Bank and national supervisors, and between countries and out of the euro (details are [here](#)). A common resolution system is supposed to come in by mid-2014. **The idea of joint deposit guarantees was killed off early on.**

Over the months, the idea of **joint eurobonds** was also excised from Mr Van Rompuy’s reports (it re-appeared in a separate and more detailed “blueprint” published by the European Commission, to the fury of Germany), and shows no sign of resurrection, despite Mr Hollande’s advocacy.

Instead Mr Van Rompuy’s advisers tried to move ahead on two other fronts in his final report ([here](#)). One was the idea of “contracts” between governments and the European Commission on structural reforms. The idea was to create more “buy-in” from countries that may resist the commission’s many exhortations to make labour and product markets more flexible.

Another concept was a “**fiscal capacity**”, ie some kind of euro-zone budget. This was born from France’s finance minister, Pierre Moscovici, who wanted to create a counter-cyclical economic tool to help countries undergoing a downturn. Germany wanted, at most, a small fund that could offer support to countries undertaking painful reforms. In short, the French wanted an automatic system to absorb shocks (eg topping unemployment insurance for the short-term jobless) while the Germans preferred a discretionary pot of money (eg, to retrain the unemployed) to boost competitiveness.

Mr Van Rompuy tried to merge these ideas in his final report: start with the German model, and later expand it into the French system. The rationale he gave makes much sense:

“In a common currency area, the burden of adjusting to country-specific economic shocks falls on labor and capital mobility, price and cost flexibility, and fiscal policy. In order to protect against negative fiscal externalities, it is important that fiscal risks are shared where economic adjustment mechanisms to country-specific shocks are less than perfect. This is clearly the case in the euro area, where labor mobility is comparatively low, capital flows are susceptible to sudden swings that can undermine financial stability, and structural rigidities can delay or impede price adjustments and the reallocation of resources. In such cases, countries can easily find themselves pushed into bad equilibria with negative implications for the euro area as a whole. In this context, setting up risk-sharing tools, such as a common but limited shock absorption function, can contribute to cushioning the impact of country-specific shocks and help prevent contagion across the euro area and beyond.”

One weakness in his proposal, however, is that any budget big enough to have a macro-economic effect was unlikely to be politically acceptable, and vice-versa, despite the reassurance in Mr Van Rompuy’s report that countries’ contributions to such a budget would be neutral over time.

In the event, this week’s killed off the French idea, leaving only the German-inspired discretionary funds to help countries that sign up to reform contracts. Mr Van Rompuy is due to present yet another roadmap on these ideas in June 2013, but he was denied a vague mandate to keep exploring more ambitious options. Lovers of detail may want to compare how little of Mr Van Rompuy’s first report ([here](#), pdf) or his final one ([here](#), pdf), or the commission blueprint ([here](#), pdf), is left in the final conclusions ([here](#), pdf).

It is little surprise that creditor states should be wary of something that could be taken as a permanent subsidy to weak countries (the Netherlands’ prime minister, Mark Rutte was especially opposed).

It is more surprising that **Mr Hollande**, according to officials, made no attempt to fight for the French idea, or at least keep it alive in the hope that it might be revived after the German election. Why so? In the end, it seems, **he sided with his foreign ministry’s diplomats, who feared the prospect of embarking on treaty change**, over the recommendation of the finance ministry, which advocated the economic benefit of a counter-cyclical instrument (which can also be passed off as a form of “social Europe”).

This is partly due to the centralised French state’s aversion to federalism, and partly due to the trauma of the Socialist party, which split badly over a referendum to approve a constitutional treaty in 2005. **For Mr Hollande, anything that brings treaty change closer means giving an answer to Germany’s call for “political union”.**

As it happens, Germany also has gone cool on such talk. **Perhaps Mrs Merkel knows that Mr Hollande finds it uncomfortable to talk of sharing sovereignty.** Or perhaps she worries that any treaty change means a potential bust-up with Britain over its demand for a repatriation of powers (which Mr Hollande [rejected](#)).

So the euro zone will muddle along. “Step by step”, as Mrs Merkel likes, but with no real roadmap.

Update: This blog post has prompted one European official full of Christmas spirit to note that, though the blueprint and the roadmap have not been agreed, they will serve as "guiding stars" in the months and years to come.

Banking union flatters Germany's financial physique

14 December 2012

Presseurop

NRC Handelsblad, Frankfurter Allgemeine Zeitung, El País, ABC



French President François Hollande, German Chancellor Angela Merkel and Italian Prime Minister Mario Monti

[Alex Ballaman](#)

After the euphoria following the agreement on banking supervision that was finally reached between the 27 member states – the embryo of a banking union – the European press, given the details of the mechanism worked out in Brussels, has lost some enthusiasm.

The widespread feeling that ground was ceded under pressure from the "Diktat" of Germany, which insisted that the single European supervisor would have no oversight of its local banks, has spurred criticisms.

"The agreement seems to be on a large scale, but in reality it is not enough," writes [NRC Handelsblad](#). "Coming four years after the start of the subprime crisis, it's disappointing." The Dutch newspaper particularly regrets that –

NRC 

The vast majority of the 6,000 [European] banks remain the responsibility of the national regulators, and therefore depend on mutual trust between banks, which in the past has been more wobbly than we thought. The subprime crisis has revealed just how interlinked all the banks are. No one saw that clearly until it all fell apart. Look at what happened in Iceland and especially in the Fortis affair, where national interests took precedence over the general interest. Only a centralised monitoring authority for all banks can combat that. In addition, decisions have not yet been made on two critical follow-up steps: the closure of banks that fail, and a common financial safety net that would separate the fate of the states from that of the banks.

In Germany, [the Frankfurter Allgemeine Zeitung unleashes](#) a salvo of arguments that the new banking supervision is very bad news, coming as it does just when banks in the eurozone are carrying three times more debt than the member states. For the *FAZ*, the central problem is the omnipotence of the European Central Bank (ECB) – an unelected institution, the daily observes. Wearing two hats – central bank and supervisory authority – it will not be able to fulfill its function of guaranteeing price stability.

While joint supervision of European banks makes sense, placing that supervisory authority under the roof of the ECB is very far from being a sound idea. Until now, the sole obligation of the ECB was to ensure price stability. Henceforth, the supervisory role will force it to live with a conflict of objectives. How will it decide if inflation requires an increase in interest rates, when that is precisely what may bring down the banks? Finally, one may doubt whether the ECB will come down all that harshly on financial institutions that they have been keeping alive as zombie banks for years by injecting money into them.

An "erroneous model" has been chosen for the banking union [notes the *El País* daily](#). It's been a decision "imposed" by Germany and it will "fracture" the European financial market into two major blocks: the big institutions, under the supervision of the ECB, and those with assets of less than €30bn left under the supervision of national governments. The Madrid daily has some criticisms –

EL PAÍS

The agreement corresponds point by point to the German demands. Angela Merkel has already told the Bundestag that the agreement was a German triumph; and now the time has come to explain why a triumph for Germany can turn into a financial mistake for Europe. The objective of the triumphal proposal of [Finance Minister Wolfgang] Schäuble is to hide the bleak situation of the German savings banks and the banks of the German Länder. The pretext used to achieve this was to suggest putting only those banks that would present a systemic risk to Europe under the supervision of the ECB. The reality, however, as shown by the case of Spain, is that smaller institutions are also capable of injecting toxins into the national banking system. And this circumstance invalidates the German argument that supervision of its regional banks is irrelevant, because Germany would pay for any eventual consolidation of these institutions. The risk is not bankruptcy, but the contamination of assets.

It's an argument that its colleague [ABC](#) takes up: "What Germany is hiding", it writes, is the poor state of the regional banks. This

ABC

explains a good deal of the political manoeuvring of Angela Merkel, who has been able to defend her financial system and to mask her misdeeds like no other leader in Europe. Brussels has never liked the savings banks, but the new Iron Lady has managed to turn Germany into their last bastion, despite their complicity in the [financial] problems. The *Landesbanken* are engaged in highly risky international operations that have left a steep bill. The problems of Germany remain in Germany, [which] has made it clear that it does not like others to ferret about in its finances. Despite any banking union, only the Bundesbank can do that for the moment.

Germany's pact with the devil

14 December 2012

[The Irish Times](#) Dublin



"Faust and Mephistopheles", by Eugène Delacroix (1826-27). The Wallace Collection (London).

In Goethe's most famous fable, Faust, the German author demonstrates his opinion that paper money is a continuation of alchemy by other means. This view, argues The Irish Times Berlin correspondent, is clearly evident in Germany's current stance on the eurozone crisis.

[Derek Scally](#)

For anyone struggling to grasp German attitudes to money and debt in the eurozone crisis, all roads lead to Frankfurt.

Germany's financial capital is not just home to two central banks, the Bundesbank and the European Central Bank, but also a yellow, baroque building in the shadow of the ECB tower.

It was here that Germany's literary genius, Johann Wolfgang Goethe, was born in 1749. Now a museum, the *Goethe Haus* is home to a fascinating exhibition, *Goethe and Money (Goethe und das Geld)*, exploring how societal attitudes to money informed Goethe's writing which, in turn, has shaped German attitudes to money.

Goethe was born with a silver spoon in his mouth thanks to a thriving family business and some advantageous marriages.

Though friendly with several banking families – Goethe almost married into one – losses sustained by institutions after the Napoleonic wars gave the writer a life-long suspicion of banks.

Thirsty work

The writer's household accounts show he was far from the frugal German stereotype, often spending 15 per cent of his annual earnings on wine. Bailouts from his mother and employers were a regular affair. As the exhibition curators note, Goethe defended his spendthrift ways as "crucial for the development of his personality".

He was more stringent when he became finance minister of the duchy of Saxe-Weimar, around what is now the eastern state of Thuringia, from 1782. This experience shaped his thinking and contributed to the creation of his literary masterpiece, *Faust*, obligatory reading in all German schools, which centres on the notorious “Faustian pact” between the eponymous scholar and the devil Mephistopheles.

The devil promises to do Faust’s bidding on earth. But if Faust ever wishes for a moment in his life to last forever, Mephisto gets his soul.

The second part of Faust, published posthumously, opens in the bankrupt court of a hedonistic emperor. The royal treasurer reports that the “coffers are still empty”, as are the royal cellars thanks to regular parties.

The persuasive Mephistopheles turns up to propose, turning paper into money. The debt-burdened emperor is intrigued: “I’m sick and tired of how and when/We’re short of money so make it, then.” The notes signed by the emperor spark a consumer boom where “half the world seems obsessed with eating well/the other half with showing off new clothes”.

Only after Mephisto and his partner Faust vanish does anyone notice the value of the notes refer not to any real equivalent – gold in a vault, for instance – but to the promise of gold yet to be mined.

The parallels were not lost on Goethe’s contemporary readers, between the Faust fable and the capital needed to drive the industrial revolution. His warnings are once more relevant for countless German public figures who have seized on Faust to articulate their own concerns about [the eurozone crisis](#).

ECB’s Faustian pact?

The modern role of the emperor’s chancellor in Faust, who warns against the paper money scheme, has been assumed by Bundesbank president Jens Weidmann.

“If a central bank can potentially create unlimited money from nothing, how can it ensure that money is sufficiently scarce to retain its value?” he asked a Frankfurt audience in September. “The temptation certainly exists, and many in monetary history have succumbed to it.”

He warns that the ECB’s unlimited bond-buying programme to stabilise the eurozone is a potential Faustian pact if it offers politicians a more palatable financing alternative to painful economic reform.

The ECB argues that this is not the case and their differing views has revived a cultural ambivalence in Germany to money and debt. This is, after all, the country where the word Schuld means both monetary debt and moral guilt. The ECB’s bond-market interventions have been condemned by the same moralist economists who attack indebted euro zone countries as Schuldensünder or “debt sinners”.

So is there a link between attitudes today and Goethe’s Faust, described by German literary theorist Werner Hamacher as a critique of “credit aesthetics and persuasion economics”.

Former ECB executive board member Ottmar Issing suggests Germans are not doubtful about money itself, but [pessimistic that it is ever used wisely](#). In an essay for the Goethe and Money catalogue, entitled Inflation – the Devil’s Work? Issing argues that “the choice between blessing and curse” offered by paper money “lies in the hand of humankind”.

Former ECB president Jean-Claude Trichet agrees. In another essay, he praises Goethe’s lifelong debate about the dual nature of paper money which “produces the best and the worst in the economic sphere”.

Living within your means

For Prof Hans Christoph Binswanger, author of the Faust study Money and Magic, Goethe saw paper money as “the continuation of alchemy by other means”. To transform paper money into real wealth, argues Prof

Binswanger, Goethe worried that everything would be “dragged down into the smouldering process of world production”.

“The apparently magical modern alchemy bears a profane price, it transforms the world into nothingness,” he adds. Goethe’s fear has resurfaced in the widespread German view that the eurozone crisis is the destructive result of uncontrolled, careless borrowing by societies refusing to accept the natural limits of their finances.

Economic collapse is thus a common thread running through Germany’s national trauma and its national drama. Faust and Mephisto lurk in the wings of the euro zone crisis, colouring Berlin’s demands for pan-European fiscal discipline and sparking a debate in Germany on the limits of economic growth.

“Goethe saw that money, when used properly brings with it positive opportunity, such as the rise of his own family,” said Dr Vera Hierholzer, co-curator of Goethe and Money.

“At the same time, like many of his class, he had a fear of the consequences of excess and exorbitance, of always pushing for more. It is a very German view, even today, to see the limits and to try and control things within these limits.”

The debate about monetary self-control has a relevance beyond Goethe’s Germany, particularly among crisis countries impatient to cast off their troika yoke and “return to markets”.

Interestingly, some of Ireland’s last sovereign debt auctions were chaired by the late Brian Lenihan at the hulking Frankfurter Hof hotel, located halfway between the ECB tower and the Goethe Haus.

After regaining economic sovereignty, it’s up to Ireland where it goes next. In the direction of the Goethe Haus, heeding the limits of its financial means, or back to the five-star Frankfurter Hof hotel to host expensive breakfast meetings for banks happy to lend us more Mephisto money.

European Council

No federal Europe this winter

13 December 2012

[Libération](#) Paris



[Nicolas Vadot](#)

The last EU summit of the year will not take the path of economic and monetary union closer. The fault lies with Berlin and Paris, who have agreed to bury the roadmap which was presented to them by Herman Van Rompuy. The debate on the future of the Union has been kicked into the long grass to return in 2014, after the German and European elections.

[Vincent Giret](#)



François Hollande and Angela Merkel are doing a stark disservice to the European Union. The Franco-German duo, for once in agreement, yesterday decided to bury a strategic debate on the future of Europe. It's a debate that has been delayed, confuscated or even prohibited.

Before the meeting, the 27 EU countries had committed to adopting a "roadmap" policy before the end of the year. This was to set out the milestones of an "intégration solidaire" (united integration), to use a cryptic utterance dear to French President Holland. What financial solidarity? What common budgetary capacity? What democratic oversight?

It was not about wrapping up every issue, or engaging in an irresponsible headlong rush, but about setting in motion all the institutions of the Union, and, above all, about opening up a major and open debate. For at least

two reasons: the survival of the eurozone is at stake, and the 27 member states have not averted the disaster by deciding, at each one of the numerous “last chance” summits, on another move forward regarding financial solidarity amongst themselves.

Market pressure

However, this sideways shift – and this is the second reason – was done under pressure from the markets, without any political vision, and, above all, out of the public view.

Disagreeing about the contours of a new European federalism, the French and the Germans prefer to take the stance of the ostrich.

Angela Merkel is entering an election period and wants to avoid the slightest risk, while François Hollande fears nothing more than reopening old wounds in his majority government. End of story.

But this petty politics is based on risky assumptions – as if the crisis were finally behind us, and that the peoples of Europe would settle for a short-sighted austerity.

On the web

- [Original article at Libération](#) fr
- [Draft conclusions of December EU summit](#)
- [Público opinion piece](#) pt
- [La Stampa article](#) it

View from Lisbon and Rome

A decisive summit - another one

“Today and tomorrow, the European Council will discuss a roadmap for the reform and completion of the Economic and Monetary Union, which will play a decisive role in overcoming the eurozone crisis,” [writes Maria João Rodrigues in *Público*](#). The EU affairs specialist and former politician continues –

after three years of inadequate measures that allowed the crisis to spread, major proposals have at last been tabled for discussions, in which Portugal will have to play an active role to ensure that the decision making process is not dominated by an intergovernmental logic favouring the most powerful countries. The equality of Europe’s member states and citizens, which has been significantly undermined in recent times, can only be served by the community method, which is based on the European Commission’s right of initiative and an active role for the European parliament.

“The final summit of a difficult year for the EU will be marked by an atmosphere fraught with worry and alarming uncertainty over just about everything relating to Europe – its future, its identity, its integration process and its federal dream,” [writes Enzo Bettiza in *La Stampa*](#). For the Italian columnist –

the summit on December 13 and 14 will be fragmented into 48 hours of secretive corridor encounters and discreet bilateral meetings. Now that they have avoided the stumbling block of Greece and temporarily frozen the Spanish deficit, the French and the Germans who are the main protagonists at the summit will get to grips with the two major threats to the cohesion of the EU, that is to say the political turmoil in Italy and the drift towards Euroscepticism in an anti-bureaucratic United Kingdom, behind the closed doors of private diplomatic dinners.

NYT Editorial December 14, 2012

A Step Forward in the Euro Crisis

After much discussion and delay, European leaders this week [agreed](#) to designate a single supervisor for large banks in the 17 countries that use the euro. The move is **a good first step toward** establishing a banking union that could help stabilize the troubled single-currency bloc — **but only if it is quickly followed by other measures, like deposit insurance**, a system to recapitalize or shut down weak banks, **and, eventually, the establishment of a fiscal and political union.**

Under the terms of the latest agreement, the European Central Bank would supervise banks with assets of more than 30 billion euros or assets amounting to more than 20 percent of a nation's output, though it would also have the power to look into the affairs of any other euro zone bank at any time. (Countries that are members of the European Union but do not use the euro, like Britain, are expected to opt out of the E.C.B.'s supervision.) Once the agreement is ratified by individual European parliaments, **the central bank would begin its new role as soon as March and take full control by 2014.**

The E.C.B. would have the power to monitor lending and capital reserves at large banks and force them to change unsound practices. This could help restore some investors' confidence in the financial system, but it won't necessarily be enough if the supervisory powers are seen as too narrow.

Policy makers need to move quickly to the next step: giving the E.C.B. or another central agency the power to create a central authority that insures public deposits across the euro zone and the ability to wind down weak banks or directly recapitalize them. Such measures would help complete the banking union and are an essential step toward making the euro a structurally sound currency.

In a separate, positive move, European finance ministers have approved the release of a long-delayed 34.3 billion euro (\$44.8 billion) loan package to Greece, though they were unable to sort out the terms of aid for Cyprus.

On Friday, European heads of state [said](#) they would like to reach an agreement by June on centrally administered deposit insurance and on assisting or shutting down weak banks. But many analysts argue that these contentious measures are not likely to be agreed upon until after Germany, the largest euro-zone economy, elects a new Parliament in late 2013. Such a delay would be harmful because even once any agreements are signed it will take many months to carry them out.

Schuldenkrise

Gefährliche Ruhe

16.12.2012 · Europa hat sich an die Krise gewöhnt. Jetzt stockt der Umbau der EU. Das ist gefährlich, denn so drohen neue Krisen.

Von [Ralph Bollmann](#)

Gegensätzlicher hätten die Bewertungen auf dem Treffen der europäischen Staats- und Regierungschefs kaum ausfallen können. „Das Schlimmste der Euro-Krise liegt hinter uns“, sagte Ratspräsident Herman Van Rompuy zu Beginn. „Ich glaube, dass nach wie vor eine schwere Zeit vor uns liegt“, warnte die deutsche Bundeskanzlerin Angela Merkel zum Abschluss - bevor sie die Brüsseler Journalisten in eine geruhsame Weihnachtspause entließ, was dann schon wieder nicht ganz so alarmistisch klang.

Die Mehrheit der Politiker, aber auch der öffentlichen Meinung in Europa dürfte eher bei Van Rompuy sein. Nicht etwa, weil die Leute alle Probleme für gelöst hielten, ihr Geld oder ihre Arbeitsplätze in Sicherheit wähnten. Eher ist es ein Gewöhnungseffekt, der sich auf dem Kontinent breitmacht. Man ist des Krisengeredes müde geworden, offenbar auch an den Börsen. Und die akuten Entscheidungen sind erst einmal gefallen: Den dauerhaften Rettungsschirm gibt es, an Griechenland hält die Gemeinschaft der Euroländer fest. Das krisenmüde Europa habe sich diese Woche eine Verdauungspause verordnet, schrieb am Samstag eine französische Zeitung.

Die Stabilisierung bleibt fragil

Wie fragil die Stabilisierung vorerst bleibt, das wurde kurz vor Gipfelbeginn angesichts der Nachrichten aus Italien deutlich. Der [Rücktritt des quasi von den Europäern eingesetzten Ministerpräsidenten Mario Monti](#) und die drohende Kandidatur seines schillernden Vorgängers Silvio Berlusconi schienen das größte der europäischen Krisenländer plötzlich wieder auf die Liste der Wackelkandidaten zu setzen. [Aber Berlusconis Versuch, eine antideutsche Kampagne zu inszenieren, verfiel nicht](#): Die Mehrheit der Italiener sieht dann doch nicht in Merkel das zentrale Problem des Landes, sondern in dem gescheiterten Premier. Also gab es an diesem Punkt Entwarnung.

Die übrigen Krisenherde blieben am Rand des öffentlichen Interesses. [Zypern zum Beispiel hat Hilfgelder für ein Bankensystem beantragt, das die übrigen Euroländer eher als Geldwäsche-Agentur für dubiose Geschäfte in Russland betrachten](#). Und niemand weiß, ob Spanien seine Finanzbranche mit den bisher bewilligten Hilfgeldern tatsächlich saniert bekommt. Aber Zypern ist klein, und für Fälle wie Spanien soll es demnächst ja die Bankenunion geben. Alles in bester Ordnung, oder?

Vom großen Umbau der EU ist keine Rede mehr

Wahrscheinlich ist gerade der Glaube, die Krise sei überwunden, der beste Garant für künftige Krisen. Denn in Brüssel zeigte sich, wie sehr der Reformeifer in Europa schon wieder erlahmt ist. Von den [großen Visionen für einen institutionellen Umbau der Europäischen Union, wie sie die Kanzlerin erst Anfang November vor dem Europaparlament entworfen hatte](#), ist vorerst keine Rede mehr.

Die jetzt beschlossenen Verträge, in denen sich einzelne Länder zu Reformen verpflichten, sind kein Ersatz für die Idee, in Europa eine Art Finanzregierung mit eigenen Kompetenzen zu installieren. Davon jedoch fand sich in den vorbereitenden Papieren kein Wort - umso mehr über Mechanismen eines europäischen Finanzausgleichs, wie ihn vor allem Frankreich wünscht.

Das war ein deutliches Zeichen, dass aus Sicht der anderen Europäer das eine ohne das andere nicht zu haben ist - weswegen Merkel nichts mehr davon wissen will, jedenfalls nicht vor der Bundestagswahl. Das Kalkül ist, dass die Atempause in der Eurozone bis zum September kommenden Jahres währt.

So rechnete Merkel zu Beginn der europäischen Krise schon einmal, als sie das griechische Problem bis zur nordrhein-westfälischen Landtagswahl vom Mai 2010 zu ignorieren versuchte - und von den Ereignissen dann doch eingeholt wurde. Der Unterschied ist nur: Diesmal eilen ihr die anderen Europäer beim Beschwichtigen sogar voraus.

Quelle: F.A.S.

Drogue/Saint-Ouen: enquête de l'IGS

Le Figaro.fr Publié le 16/12/2012 à 12:12 [Réactions](#) (4)

La police des polices enquête après la diffusion le 25 novembre dernier sur TF1 d'un reportage sur le trafic de drogue à Saint-Ouen en Seine-Saint-Denis où des policiers en patrouille déclaraient ne pas avoir le droit de pénétrer dans une cité cernée par des guetteurs et des dealers.

Selon les informations du *Parisien*, le sommet de l'État a été choqué par ces images tournées à la caméra cachée aux abords de la cité Emile Cordon, devenue depuis plusieurs mois un point de deal important de la ville. Le quartier est classé en Zone de sécurité prioritaire.

L'Inspection générale des services cherche à retrouver et à interroger les deux CRS filmés qui ont déclaré : "On a des consignes" pour ne pas entrer dans la cité. "Il faut que les dealers puissent continuer de vivre, et il faut que les habitants soient rassurés." Un des deux agents estime même qu'il n'y a pas de volonté que le trafic s'arrête.

Dans *Le Parisien*, une source proche du dossier indique : "Soit cette histoire de consigne est fausse, et les agents risquent des sanctions ; soit de telles instructions existent et il faut savoir qui les leur a données." Le cabinet du ministre de l'Intérieur Manuel Valls soutient l'enquête de l'IGS.

QE 4: Folks, This Ain't Normal

What you need to know about the Fed's latest move

by Chris Martenson Friday, December 14, 2012, 12:22 PM



Okay, the Fed's recent decision to boost its monetary stimulus (a.k.a. "money printing," "quantitative easing," or simply "QE") by another \$45 billion a month to a combined \$85 billion per month demonstrates an almost complete departure from what a normal person might consider sensible.

To borrow a phrase from Joel Salatin: *Folks, this ain't normal*. To this I will add ...*and it will end badly*.

If you had stopped me on the street a few years ago and asked me what I thought would have happened in the stock, bond, foreign currency, and commodity markets on the day the Fed announced an \$85 billion per month thin-air money printing program directed at government bonds, I never would have predicted what has actually come to pass.

I would have predicted soaring stock prices on the expectation that all this money would have to end up in the stock market eventually. I would have predicted the dollar to fall because who in their right mind would want to hold the currency of a country that is borrowing 46 cents (!) out of every dollar that it is spending while its central bank monetizes 100% of that craziness?

Further, I would have expected additional strength in the government bond market, because \$85 billion pretty much covers all of the expected new issuance going forward, plus many entities still need to buy U.S. bonds for a variety of fiduciary reasons. With little product for sale and lots of bids by various players, one of which – the Fed – has a magic printing press and is not just price insensitive but actually seeking to drive prices higher (and yields lower), that's a recipe for rising prices.

Then I would have called for sharply rising commodity markets because nothing correlates quite so well with thin-air money printing as commodities.

That's what *should* have happened. But it's not what we're seeing.

Instead, stocks initially climbed but then closed red. Gold was mysteriously sold in the thinly-traded overnight markets and again right after the announcement in large, rapid HFT blocks that swamped the bids. U.S. Treasury bonds actually sold off on the news. The dollar hardly budged. Commodities were mixed across the board but more or less flat on the day, with the exception of the metals, and especially the precious metals, which were sold vigorously.

The markets are now well and truly broken. Not because they don't conform to my predictions, but because they are no longer sending useful price signals. Instead, my hypothesis here is that the markets are now just a giant and rigged casino, where a relative handful of big firms and other tightly coupled players are gaming their orders to take advantage of this flood of money.

When your central bank badly misprices money and then bids up everything related to bonds, nothing can be reasonably priced. Risk is mispriced; the few remaining investors (as distinct from *speculators*, which are now the majority) are forced to accept both poor yields and higher risk – so we know the price of everything, but the value of nothing.

QE4

So what exactly is this new thin-air money printing program all about? Well, unlike any prior Quantitative Easing (QE) announcement, this one was tied to a fuzzy and quirky government statistic: the unemployment rate.

[QE4 is Just-In-Time Fed Policy to Avoid Calamity](#)

Dec 13, 2012

We got the most thunderous Just-In-Time monetary policy today that is a substitute for the absence of any degree of stimulative fiscal policy.

You might say that QE4 is now going to act as both monetary and fiscal stimulus– another \$85 billion worth of Fed accumulations of Treasury bonds and mortgages- **that is meant to keep stock prices moving higher and residential home sales climbing briskly.**

The goal is to drive economic activity, especially residential home building, so that unemployment drops from 7.7% to 6.5%. The surprise move is meant to signal the Fed's awareness of the softening economy; it sees the gritty numbers before we do.

Getting unemployment down to 6.5% without inflation rising to a level higher than 2.5% is not expected to happen until 2014 at the earliest. And it could go longer if there is no deal and we go over the cliff.

But, you should know that the only reason unemployment is 7.7% is because hundreds of thousands of males have dropped out of the search for regular work. A very depressing tale.

The key point here is that the Fed is now actively running both monetary and fiscal policy because it will now be in the business of **funding nearly 100% of all the new government deficit spending in 2013.** And it is pumping a bit more than \$1 trillion of hot, thin-air money into the economy as it does so.

The odd thing here is that by tying their policy to the unemployment rate, we could be in for a very long wait for the stimulus to end. The reason is that the unemployment rate has a couple of moving pieces, one being the number of people who are unemployed, and the second consisting of people who have given up looking for work, which is tracked in something called the 'participation rate.'

As more people leave the labor force and the participation rate goes down, the unemployment rate goes down, too. Somewhat confusingly, as more jobs are created, the unemployment rate goes down, too. As you can see, these numbers work in opposition to each other because as more jobs become available, more people re-enter the work force.

Before the crisis struck, the participation rate was around 66.5%. But now it sits at just 63.6%, meaning that, at roughly 1.4 million jobs for each percent, a bit more than 4 million jobs would have to be created just to absorb the folks who left the labor force but presumably would like to work again. As those 4 million folks come back to work, the unemployment rate will not budge at all.



It will require two full years of 150,000 jobs per month just to absorb the 4 million missing workers, which means that this QE effort will be with us for a very long time. Three to four years is my best guess, and that's only if the economy magically recovers. And I have very strong doubts about that.

This means that **the Fed is most likely on track to increase its balance sheet by another \$3-4 trillion.** Ugh. That's 300% to 400% more money created in the next year than was created than during the entire 200 years following the signing of the Declaration of Independence.

The other part of this new QE policy is that they will continue this as long as inflation remains below 2.5%. Again, this is a very fuzzy government statistic subject compared to the usual massaging and political biases, but it has top billing as the one that is most likely to force an early termination of the thin-air money printing efforts.

However, I remain convinced that the Fed will change any rules and move any goalposts it needs to in order to continue its mad money printing experiment. Because there really isn't any other alternative at this point.

Secretly in the Open

Once upon a time, it would have been considered in bad taste to suggest that the world was being centrally managed in secret by a small-ish cabal of bankers whose actions served to either prop up the excessive spending habits of the very governments that conferred upon them the power to print money, or to bolster the health and profits of the banks they mainly serve.

That was then. Today you can just read about it in the Wall Street Journal:

[Inside the Risky Bets of Central Banks](#)

Dec 12, 2012

BASEL, Switzerland—Every two months, more than a dozen bankers meet here on Sunday evenings to talk and dine on the 18th floor of a cylindrical building looking out on the Rhine.

The dinner discussions on money and economics are more than academic. At the table are the chiefs of the world's biggest central banks, representing countries that annually produce more than \$51 trillion of gross domestic product, three-quarters of the world's economic output.

Of late, these secret talks have focused on global economic troubles and the aggressive measures by central banks to manage their national economies. Since 2007, central banks have flooded the world financial system with more than \$11 trillion. Faced with weak recoveries and Europe's churning economic problems, the effort has accelerated. The biggest central banks plan to pump billions more into government bonds, mortgages and business loans.

Their monetary strategy isn't found in standard textbooks. The central bankers are, in effect, conducting a high-stakes experiment, drawing in part on academic work by some of the men who studied and taught at the Massachusetts Institute of Technology in the 1970s and 1980s.

While many national governments, including the U.S., have failed to agree on fiscal policy—how best to balance tax revenues with spending during slow growth—the central bankers have forged their own path, independent of voters and politicians, bound by frequent conversations and relationships stretching back to university days.

If the central bankers are correct, they will help the world economy avoid prolonged stagnation and a repeat of central banking mistakes in the 1930s. If they are wrong, they could kindle inflation or sow the seeds of another financial crisis.

If it feels like you are part of a very grand, high-stakes experiment, congratulations! You're exactly right. We are all collectively prisoner to whatever outcomes are in store.

The rather politely ignored truth right now, at least by most news outlets and politicians, is that the world's central banks have wandered very far off the reservation and are running an experiment that really has only two possible outcomes. One is a return to what we all might call 'normal and stable' economic growth. The second is the complete collapse of the fiat money and their attendant financial systems and markets.

While it is technically possible to achieve some other middling outcome, that possibility has been receding to ever more remote territory with every passing month and new round of money printing.

The basic predicament here is that more and more money is being printed while the world economy, predictably for those who follow the net energy story, has been entirely stagnant and constantly threatening to slip back into economic retreat. Of course, more money + the same amount of (or even less) hard assets = the perfect recipe for inflation.

So the rise of inflation will signal the beginning of the end of this slow-motion tragedy. I use the term 'tragedy' here because it doesn't have to end this way. We have other options; we could make other choices and use our time and resources to try and do something other than maintain a broken financial system that desperately needs to be changed.

In [Part II: It's Better to Be a Year Early Than a Day Late](#), I explain the facts behind why I am more convinced than ever that this all ends in one of the most disruptive financial and currency events ever seen on this planet. And while the repercussions will be felt by all, taking prudent action while there is still time can greatly improve our individual odds of weathering them safely.

[Click here to read Part II](#) of this report (*free executive summary; [enrollment](#) required for full access*).

F.A.Z., Montag, den 17.12.2012 Wirtschaft 12

Für wen war der griechische Schuldentrückkauf ein Erfolg?

Die Gläubiger profitieren, der Staat und die Steuerzahler haben nichts davon / Von Frank Westermann

In Schwellenländern sind Schuldenkrisen nichts Ungewöhnliches. In Lateinamerika zum Beispiel hat sich die Krise über die gesamten achtziger Jahre hingezogen. Fast alle denkbaren Instrumente und Lösungsansätze wurden dort schon einmal ausprobiert. Nur leider sucht sich nun die Eurozone gerade diejenigen Instrumente aus, die sich rückblickend nicht bewährt haben.

Hierzu zählen insbesondere die Schuldentrückkäufe, die vor ein paar Tagen in Griechenland durchgeführt wurden. Mexiko gab in den Achtzigern auf diese Weise 10 Milliarden Dollar aus, Brasilien 8 Milliarden Dollar und Chile 1,5 Milliarden Dollar. Besonders tragisch war der Fall von Bolivien, das im März 1988 46 Prozent seiner gesamten Staatsschuld auf Sekundärmärkten zurückgekauft hatte. Solvenz haben sie damit nicht erreicht – dafür aber fast die gesamten Hilfgelder verausgabt, die ihnen von anderen Staaten gewährt wurden.

In einer bemerkenswerten Reihe von Fachartikeln hat der Harvard-Ökonom Kenneth Rogoff gezeigt, dass die überschuldeten Entwicklungsländer mit den Rückkäufen ihre knappen Ressourcen nur dazu nutzten, ihre Gläubiger zu subventionieren, selbst aber keinen Vorteil davon hatten. Rogoff wurde später Chefökonom und wissenschaftlicher Direktor des Internationalen Währungsfonds (IWF). Das Rückkaufprogramm wurde kurz nach Publikation des ersten Artikels, 1988 in den „Brookings Papers on Economic Activity“, in den meisten Ländern eingestellt.

Sein inhaltliches Argument lief wie folgt: Er wies darauf hin, dass der Wert der Schulden auf Sekundärmärkten von den künftigen Steuereinnahmen des jeweiligen Landes abhängt. Ist der Barwert aller erwarteten Überschüsse kleiner als die Staatsschulden, kann mit einer vollständigen Rückzahlung nicht mehr gerechnet werden. Das Land ist überschuldet, und der Marktwert der Schulden fällt unter seinen Nennwert.

Was passiert nun, wenn das Land selbst oder ein helfender Dritter auf die Idee kommen, diese Schulden am Markt zu kaufen, zum Beispiel zu 30 bis 40 Prozent wie im Falle Griechenlands? Zunächst zu den Griechen: Auf dem Papier (im Nennwert) sinkt ihre Staatsschuld. Jedoch schulden sie nach wie vor alles, was sie in der Zukunft an Steuern jemals erwirtschaften können. Faktisch ändert sich also nichts, denn sie werden nur in dem Bereich entlastet, den sie ohnehin nicht hätten zurückzahlen können. Was sie leisten können – unter strikten Auflagen –, müssen sie auch abgeben, mit oder ohne den Schuldentrückkauf. Aus Sicht der Gläubiger reicht dieser unverändert hohe Rückzahlungsbetrag nun aber, einen höheren Anteil des verbleibenden Nennwertes zurückzuzahlen. Es entsteht daher ein Kursgewinn, der sofort – nicht erst in Zukunft – von den Gläubigern realisiert wird.

Mit einem einfachen Zahlenbeispiel lässt sich errechnen, wie groß dieser Gewinn der Gläubiger Griechenlands ist: Vor September 2012 hatten griechische Staatspapiere durchschnittlich etwa einen Preis von 18 Prozent des Nennwertes. Der Marktwert von 60 Milliarden Euro Schulden betrug also nur gut 10 Milliarden Euro. Im Prinzip hätte die Summe von 10 Milliarden Euro also ausreichen sollen, um die gesamten noch bei Privaten ausstehenden Schulden aufzukaufen. Nach der Ankündigung des EZB-Präsidenten Mario Draghi am 6. September 2012, unbegrenzt Staatsanleihen zu kaufen, stieg der Preis jedoch auf 25 Prozent. Nach einer weiteren Ankündigung von Finanzminister Wolfgang Schäuble im Oktober 2012, im konkreten Falle Griechenlands die Staatsschulden aus den EFSF-Mitteln zurückzukaufen, stieg der Preis weiter bis auf 35 Prozent am 3. Dezember. Der Marktwert der Schulden erhöhte sich damit auf zirka 20 Milliarden.

Durch den dann erfolgten Rückkauf, für den 10 Milliarden Euro ausgegeben wurden, sind Schulden im Nennwert von gut 30 Milliarden vom Markt genommen worden. Der Marktwert der jetzt noch bei Privaten verbleibenden knapp 30 Milliarden Euro Schulden beträgt aber, auf Grund des Preisanstiegs auf etwa 35 Prozent, immer noch 10 Milliarden Euro. In diesem Betrag spiegelt sich die Erwartung der Märkte, was Griechenland in Zukunft tatsächlich zahlen kann – vor wie nach dem Schuldenschnitt. Es ist also genau der Fall

eingetreten, vor dem Rogoff gewarnt hat. Statt die Steuerzahler zu entlasten, wurden die Gläubiger mit Kursgewinnen belohnt.

Um die Höhe dieser indirekten Subvention der Gläubiger zu verdeutlichen: Der Jahresetat für Infrastruktur im deutschen Bundeshaushalt 2013 beträgt ebenfalls 10 Milliarden Euro. Im Rahmen der Exzellenzinitiative fördern Bund und Länder die Universitäten mit 2,7 Milliarden Euro. In den sozialen Sicherungssystemen Griechenlands werden künftig Leistungen von 1 Milliarde Euro gekürzt. Es ist offenkundig, dass man das Geld für Bildung, Infrastruktur und Soziales sinnvoller hätte einsetzen können.

Die Kursgewinne wurden stattdessen von griechischen Banken und internationalen Investoren realisiert. Auch die EZB profitiert indirekt von dem Rückkauf. Einerseits hatte sie schon 2010 Staatspapiere auf Sekundärmärkten gekauft. Vor allem aber hat sie Staatspapiere und Garantien des griechischen Staates als Sicherheiten für Notkredite an Banken angenommen, die nun im Wert gestiegen sind. Es geht beim Rückkauf also möglicherweise auch um noch nicht realisierte Verluste der EZB, die sonst irgendwann offen ausgewiesen werden müssten.

Ein warnendes Beispiel, dass eine solche Notenbankpolitik für die Steuerzahler teuer werden kann, ist bereits im Klassiker von Milton Friedman in der „American Economic Review“ von 1968 enthalten. Friedman kritisiert darin die Politik der amerikanischen Notenbank, die bis Anfang der fünfziger Jahre versuchte, Zinsen und Preise amerikanischer Staatspapiere zu stabilisieren. Der Artikel ist berühmt, weil Friedman zeigt, dass Zentralbanken den Phillips-Kurven-Zusammenhang nicht nutzen können. Weniger bekannt ist, dass in demselben Artikel auch gezeigt wird, dass Zentralbanken Kurse von Staatspapieren nicht stabilisieren können und sollten – eine Erkenntnis, an die sich vor allem der Rettungsfonds ESM und die EZB erinnern sollten. Diese sollen ja künftig noch viel weiterreichende Rückkaufsrechte haben als Griechenland.

Frank Westermann ist Professor für Volkswirtschaftslehre im Fachgebiet Internationale Wirtschaftspolitik an der Universität Osnabrück.

Zum Umbau der EU

Zwangintegration

15.12.2012 · Das Desaster der Währungsunion erzwingt keine politische Union. Ein so oktroyiertes Europa wäre ein wurzelloses Europa. Ein Gastbeitrag.

Von **Peter Graf Kielmansegg**, emeritierter Professor für Politische Wissenschaften der Universität Mannheim

Das 20. Jahrhundert ist uns vor allem als ein Jahrhundert äußerster Schrecken in Erinnerung, als Jahrhundert der Weltkriege und der mörderischen Totalitarismen. Aber natürlich gibt es auch eine Habenseite der Jahrhundertbilanz, und auf dieser Habenseite steht ganz oben die europäische Einigung, auch aus globalgeschichtlicher Sicht.

Es gibt gute Gründe, in der europäischen Einigung die bedeutendste, kreativste, fruchtbarste politische Leistung des 20. Jahrhunderts zu sehen. Die Verwandlung eines hoch kompetitiven, durch und durch bellizistischen Staatensystems in eine auf das Recht gegründete Föderation, in der Kriege nicht mehr denkbar sind, die sich in der zweiten Hälfte des 20. Jahrhunderts vollzogen hat, ist ein einzigartiger Vorgang.



Peter Graf Kielmansegg ist emeritierter Professor für Politische Wissenschaften an der Universität Mannheim.

Aber eben weil es beim europäischen Projekt darum ging, nach zwei säkularen, für Europa beinahe selbstmörderischen Kriegskatastrophen zu einem dauerhaften Frieden zu finden, **ist es zu einer Art Sakralisierung des Projektes gekommen**. Sakralisierung des Projektes meint: Nicht nur die Idee hat sakralen Rang gewonnen, auch die Einigungspolitik mit ihren konkreten Entwürfen und Weichenstellungen hat etwas von dieser sakralen Würde für sich in Anspruch genommen.

Vielleicht war das notwendig, um sich mit dem grandiosen Vorhaben der Umkehrung der europäischen Geschichte überhaupt auf den Weg machen zu können. **Aber die Sakralisierung hat dem Projekt nicht nur gutgetan. Dazu vier Thesen:**

1. Die Integrationsdynamik zielt in die falsche Richtung.

Die Integrationsdynamik der Europäischen Union zielt mit beunruhigender Eindeutigkeit in die falsche Richtung. Föderationen haben im Allgemeinen die primäre Bestimmung, den Gliedstaaten durch Bündelung der Kräfte mehr Sicherheit zu geben und sie zu gemeinsamem Handeln nach außen zu befähigen. Und dies mit so viel Respekt vor der inneren Eigenständigkeit der Glieder wie nur möglich.

Regelmäßig verbindet sich mit der primären Zielsetzung die andere, einen größeren Wirtschaftsraum zu schaffen. Ein Blick in die Verfassung der Urföderation der Moderne, der Vereinigten Staaten von Amerika, macht das exemplarisch deutlich. Die im Artikel 1, Section 8 der amerikanischen Verfassung aufgelisteten Kompetenzen des Kongresses sind genau auf diese beiden Aufgaben zugeschnitten. Auch die Notwendigkeit der europäischen Einigung ist immer wesentlich mit dem Argument begründet worden, Europa müsse sich nach außen mehr Geltung verschaffen. Und wird gerade im gegenwärtigen Diskurs vornehmlich damit begründet, dass Europa sich nur als vereintes Europa neben den Weltmächten des 21. Jahrhunderts werde behaupten können.

Tatsächlich hat sich die EU ganz anders entwickelt. **Gemeinsame Handlungsfähigkeit nach außen zu gewinnen, ist ihr nur in bescheidenen Ansätzen gelungen. Die Europäische Union ist nicht wirklich zu einem politischen Akteur mit eigenem Gewicht auf der Weltbühne geworden.** Sie hat von Anfang an alle ihre politischen Energien nach innen gerichtet. Sie hat sich auf die Schaffung eines europäischen Wirtschaftsraumes konzentriert, in der Konzentration auf diese Aufgabe aber zu einer Gesetzgebungsmaschinerie entwickelt, die ihren Auftrag weiter und weiter auslegt. Unaufhörlich arbeitet sie daran, das Netz homogenisierenden europäischen Rechtes enger zu flechten - der „acquis communautaire“ wird gegenwärtig auf etwa 100.000 Seiten geschätzt.

Die Kommission, bei der das Initiativrecht liegt, sieht ihre Aufgabe wesentlich darin, den Prozess europäischer Normenproduktion stetig vorwärtszutreiben. Die meisten der nicht weniger als 27 Kommissare mit ihren Generaldirektionen legitimieren sich in der Hauptsache durch ihren Beitrag zu dieser Produktion. Die Kommission bestätigt damit nur, was die **Organisationssoziologie** seit langem weiß: **Das Interesse einer jeden Organisation an sich selbst bestimmt die Ausrichtung ihrer Arbeit wesentlich.** In Brüssel ist das allem Anschein nach noch ausgeprägter als andernorts der Fall. Und was für Brüssel gilt, gilt genauso für Straßburg. Auch die Gesetzgebungsarbeit des Europäischen Parlamentes gehorcht dieser Logik. **Mehr Europa** - der Ruf ertönt übrigens meistens ohne Spezifizierung - würde also nach allen bisherigen Erfahrungen nicht etwa mehr europäische Handlungsfähigkeit nach außen und damit ein größeres Gewicht Europas auf den Foren der Welt bedeuten, sondern **eine weitere Verdichtung des Netzes europäischen Rechts, eine stärkere innere Homogenisierung. Das ist für eine Gemeinschaft von Nationalstaaten mit einer im Bewusstsein ihrer Bürger wie in der Geschichte tief verankerten Eigenständigkeit alles andere als eine vernünftige Entwicklung. Die Richtung stimmt nicht.**

2. Das Subsidiaritätsprinzip wirkt nicht verlässlich

Allen Bekenntnissen zum Trotz ist es nicht gelungen, institutionelle Vorkehrungen oder politische Verhaltensmuster zu entwickeln, die dem Subsidiaritätsprinzip verlässlich Wirksamkeit verleihen. Natürlich ist das Subsidiaritätsprinzip im Vertrag über die Europäische Union - für den Bereich der geteilten Zuständigkeiten - an herausragender Stelle festgeschrieben. Aber das bedeutet wenig.

Es ist eine allgemeine Erfahrung, dass Subsidiaritätsformeln im Verfassungsrecht aus sich heraus wenig Kraft entfalten. **Das Kriterium für die Zuständigkeit der Europäischen Union - sie ist gegeben, „wenn die Ziele der in Betracht gezogenen Maßnahmen von den Mitgliedstaaten nicht ausreichend verwirklicht werden können“ - ist bei 27 Mitgliedstaaten von sehr unterschiedlicher Leistungsfähigkeit ziemlich beliebig dehnbar.** Es hängt ganz von den politischen Kräften und den Interessenlagen der Handelnden ab, was diese Formeln bewirken und was nicht.

Tatsächlich ist den meisten Bundesstaaten - mit oder ohne Subsidiaritätsprinzip - eine starke Zentralisierungsdynamik am Werk. In der Europäischen Union ist es nicht anders, obwohl sie kein Bundesstaat ist und in das europäische Gesetzgebungsverfahren viele Vetopositionen eingebaut sind. Der Versuch, diesen erstaunlichen Sachverhalt zu erklären, muss vermutlich bei der Eigenart des europäischen Projektes ansetzen. Einem Projekt wohnt seiner Natur nach immer eine Dynamik inne. Es soll etwas Wirklichkeit werden, was noch nicht Wirklichkeit ist. Die europäischen Verträge sind denn auch, wie immer sie benannt wurden, nie einfach eine Föderationsverfassung gewesen, sondern stets primär eine Projektbeschreibung. Die Projektbeschreibung konnte und kann aber immer als Ermächtigung gelesen werden, alles, wirklich alles zu tun, was zur Verwirklichung des Projektes getan werden muss. Sie ist unbestimmt genug, um der Zentralisierungsdynamik weite Räume zu öffnen.

Daran hat auch der Versuch des Konventsentwurfes und dann des [Lissabonner Vertrages](#), die Kompetenzen der Europäischen Union nach dem Muster bundesstaatlicher Verfassungen rechtsförmig zu umschreiben, nur wenig ändern können. Diese Räume tatsächlich zu besetzen, stehen europäische Institutionen bereit, die von ihrem Interesse an sich selbst, das heißt: ihrem Interesse an einem möglichst weiten Zuständigkeitsbereich, angetrieben werden: **die Kommission und das Parlament. Beide setzen das europäische Gemeinwohl, dessen Bestimmung nach der Logik der Föderation ihnen anvertraut ist, weitgehend mit einer stetigen Erweiterung ihrer Kompetenzen gleich.**

Zwar hat auch die Europäische Union wie alle Föderationen eine Schiedsinstanz für Kompetenzkonflikte. **Aber diese Schiedsinstanz, der Europäische Gerichtshof, begleitet die Zentralisierungsdynamik mit starker Sympathie.** Bisher jedenfalls hat der Gerichtshof nur sehr selten Anlass gesehen, Kommission und Parlament an die Grenzen ihrer Zuständigkeiten zu erinnern. Er behält, trotz der neu eingeführten Klagerechte der nationalstaatlichen Parlamente, in der Subsidiaritätsfrage das letzte Wort. Er besitzt damit zwar nicht die Kompetenzkompetenz. Sie liegt beim europäischen Verfassungsgeber, also der Gesamtheit der einstimmig entscheidenden Mitgliedstaaten. Aber die dem Europäischen Gerichtshof anvertraute Zuständigkeit für die abschließend verbindliche Auslegung des europäischen Primärrechtes kommt einer Kompetenzkompetenz ziemlich nahe. **Paradoxiertweise bremsen die Mitgliedstaaten die Zentralisierungsdynamik nur dort wirksam aus, wo die Stärkung der Union die besten Gründe für sich hat, und treten ihr nicht wirklich entgegen, wo sie problematisch ist.** Das hat mit den politischen Strategien und Taktiken zu tun, die das Verhalten der Gliedstaaten im Ministerrat bestimmen.

Bundesstaaten können mit einer Zentralisierungsdynamik leben, wenn und soweit sie dem politischen Selbstverständnis ihrer Bürger entspricht. Die Europäische Union kann es nicht. **Für eine Föderation aus Nationalstaaten ist es lebenswichtig, eine stabile föderale Balance zu entwickeln. Das Leitmotiv „immer enger“ steht einer solchen Balance entgegen.**

3. Der Integrationsprozess wird nicht korrigiert

Dem Integrationsprozess fehlt weitgehend die Fähigkeit zur Selbstkorrektur. Man kann das mit einem in den historischen Sozialwissenschaften sehr populär gewordenen Terminus auch szientistischer formulieren: **Der Integrationsprozess verläuft in hohem Maße pfadabhängig.** In der Sache läuft das auf das Gleiche hinaus und besagt: **Die einmal eingeschlagene Richtung wird beibehalten, einmal getroffene Entscheidungen determinieren Folgeentscheidungen, „weiter so“ ist das Leitmotiv des Integrationsprozesses.** Die über Jahrzehnte **gegen alle Vernunft betriebene Landwirtschaftspolitik** der Europäischen Gemeinschaft ist ein **klassisches Beispiel.** Selbst die offensichtlichsten Schwächen der Strukturförderung scheinen unkorrigierbar zu sein. Und auch die hektischen Anstrengungen der Politik, der Schuldenkrise beizukommen, bleiben, durch keine Erfahrung beeindruckbar, auf der gleichen Spur.

Nun kann man mit gutem Grund argumentieren, diese Schwäche folge aus der Natur der Sache. In der Tat ist es unrealistisch, den Aufbau einer europäischen Föderation am Ideal eines „trial and error“-Prozesses zu messen, in dem jeder der in unbekanntes politisches Gelände führenden Schritte zunächst einmal probeweise getan wird und der Kurs korrigierbar bleibt. Die Integrationssschritte werden ja in der immer größer werdenden Staatengemeinschaft nach dem Einstimmigkeitsprinzip mühsam ausgehandelt. Das hat zur Folge, dass jeder einmal getane Schritt einen nahezu änderungsfesten Status quo schafft; was insbesondere immer dann gilt, wenn asymmetrische Begünstigungen festgeschrieben werden.

Aber dass es sich so verhält, müsste die Architekten veranlassen, mit besonderer Sorgfalt zu bauen. Wenn Fehler kaum korrigierbar sind, wird es doppelt wichtig, sie zu vermeiden. Man wird kaum sagen können, dass diese Maxime in der Europapolitik eine bestimmende Rolle spiele. Auch von einem bewussten, stetigen Bemühen, die Spielräume für Korrekturen, die sich trotz der **dem Integrationsprozess inhärenten Logik der Irreversibilität** vielleicht offen halten ließen, auch tatsächlich offen zu halten, kann nicht die Rede sein. Befristungen, Konditionierungen, regelmäßige Prüfverfahren könnten Instrumente einer Politik sein, die sich ein Minimum an Chancen des Lernens, der Selbstkorrektur beim Aufbau einer ganz und gar neuartigen politischen Ordnung bewahren möchte. **Die amtliche Europapolitik setzt dem eine eigenartige Gewissheit, mit jedem Schritt auf dem richtigen Wege zu sein, entgegen.** Sie mag mit jener Überhöhung des europäischen Projektes zu tun haben, von der eingangs die Rede war.

4. Das Recht wird relativiert

Die Europäische Union hat in der Krise einen Weg der - vorsichtig formuliert - Relativierung des Rechts eingeschlagen, den sie nicht weitergehen kann, ohne sich selbst in Frage zu stellen. Sie hat sich im Kampf gegen die Staatsschuldenkrise dafür entschieden, die geltende Finanzverfassung in wesentlichen Punkten zu ignorieren. Nicht mutwillig, sondern unter dem Druck einer existenziellen Herausforderung. Aber eben doch - sie hat sich entschieden, sie zu ignorieren.

Man kann darüber streiten, was Artikel 125 des Vertrags über die Arbeitsweise der Europäischen Union, das sogenannte **Bail-out-Verbot**, genau ausschließt und was er gerade noch zulässt. **Nicht streiten kann man darüber, dass die Währungsunion nie zustande gekommen wäre, wenn vor der Ratifizierung bekannt gewesen wäre, auf welche Haftungsverpflichtungen man sich einmal würde einlassen müssen.** Das aber heißt: **Das Vertrauen, das die ratifizierenden Parlamente in den Artikel 125 gesetzt haben und setzen durften, hat getrogen. Was die Regierungen aus der Währungsunion gemacht haben, ist nicht das, was die Parlamente als Währungsunion ratifiziert haben.** Gewiss, die Parlamente waren an der nachträglichen Vertragsänderung beteiligt, mit der der dauerhafte Stabilitätsmechanismus in die Verträge eingearbeitet wurde, aber sie standen dabei unter einem von den Verhältnissen und den Regierungen gleichermaßen erzeugten extremem Problem- und Zeitdruck, der ihnen die Entscheidungsfreiheit weitgehend nahm und nehmen sollte.

Was diese, wie man meinte, der Not geschuldete Relativierung des Rechts für die Europäische Union bedeutet, haben die Akteure vermutlich nicht zu Ende gedacht, obgleich sie ja oft genug die erstaunliche Floskel gebraucht haben, sie wollten den Euro „um jeden Preis“, also auch um den Preis des Rechts, retten. Dass die Europäische Union eine Rechtsgemeinschaft ist, ist nicht nur ein schmückendes Beiwort. **Der Begriff benennt ihre Essenz: Die Europäische Union ist ihrem Wesen nach ein Gebilde des Rechts.** Ihre Funktionsfähigkeit, ihre Wirkungsmöglichkeiten hängen ganz und gar daran, dass das Recht von den Mitgliedstaaten wie von den Bürgern respektiert wird. Wenn die Union durch die, die für sie handeln, das Recht für sich faktisch ad hoc außer Kraft setzt, mag sie das in noch so guter Absicht tun. **Die Maxime, der sie dabei folgt, die Maxime, dass das europäische Projekt wichtiger sei als das Recht, in dem es sich verwirklicht, bleibt ein Sprengsatz. Ohne selbst Rechtsgehorsam zu üben, kann die Union auch keinen Rechtsgehorsam einfordern.**

Wo bleibt das Positive?

Eine Bilanz wie diese provoziert unvermeidlich die Frage: **Wo bleibt das Positive?** Enthusiastisch über Europa zu reden, ist immer noch der einfachste Weg, über Europa zu reden. **Aber hat es dem europäischen Projekt wirklich gutgetan, dass der Ruf nach mehr Europa nicht begründungspflichtig war? Was das Projekt dringlich braucht, ist kritische Sympathie.** Das bedeutet für Deutschland: **Eine Öffnung der Debatte ist nötig.** Öffnung der Debatte meint: **Wir müssen den Dissens in europapolitischen Fragen als dem Projekt dienlich akzeptieren, weil er hilft, Fehler zu vermeiden, Fehler, von denen wir jedenfalls jetzt wissen, dass sie dramatische Folgen haben können.**

Das Desaster der Währungsunion hat die Konsenszwänge, die für Deutschland so charakteristisch waren, zwar aufgebrochen. Aber sie wirken fort. Und es droht eine neue Schließung. **Die Krise wird zum Anlass, Europa eine Art von Zwangsintegration zu verordnen, ein Integrationsprogramm, das mit logischer Unabweisbarkeit - so sehen es seine Verfechter - aus der Krise entspringt und deshalb eigentlich gar nicht mehr Gegenstand politischer Meinungsverschiedenheiten sein kann.** Die Währungsunion - so lautet die Logik - erzwingt die politische Union, weil sie anders nicht funktionsfähig ist.

Hier ist nicht die selten präzise beantwortete Frage, was denn mit der Formel „politische Union“ eigentlich gemeint sei, von Interesse. Von Interesse ist nur das Handlungsmuster, das auf diese Weise etabliert wird: **Integration nicht als Folge einer frei geführten Debatte über das Wünschbare und Notwendige, sondern als Resultat von Zwängen, die sich aus vorangegangenem, nicht zu Ende gedachtem Tun ergeben.**

Europa nach diesem Handlungsmuster zu bauen, ist eine überaus riskante Angelegenheit. Es wäre ein von einer wohlmeinenden politischen Klasse oktroyiertes Europa. Ein oktroyiertes Europa wäre ein wurzelloses Europa. **Die europäische Föderation in ihrer konkreten Gestalt, nicht nur die Europa-Idee, muss von den Europäern angenommen werden.** Nur eine in diesem Sinne legitime politische Ordnung wird für Europa selbst und für die Welt das Versprechen einlösen können, das dem europäischen Projekt zugrunde liegt. Die dem neuen Krisenhandlungsmuster eingeschriebene Botschaft „Es gibt keine Alternative“ stiftet keine Legitimität.

Philosoph Dieter Thomä

„Der Kapitalismus zersetzt die Familie - ganz subtil“

FAZ 15.12.2012 · Die Wirtschaft verlangt größte Flexibilität. Die Familie beruht auf Stabilität - und zieht den Kürzeren, sagt der Philosoph Dieter Thomä.



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Dieter Thomä in seiner West-Berliner Wohnung. „Heute müssen wir offenbar irgendwie alle Kapitalisten sein. Das schafft enorme Konflikte.“

Herr Thomä, für Sie ist der Kapitalismus ein familienfeindliches System. Wieso?

Zwischen dem Kapitalismus und der Familie besteht ein klassischer Konflikt: Im Kapitalismus zählt der eigene Nutzen, den man aus seinem Tun zieht. Dies liegt nun einmal quer zur Familie, in der ein unglaublicher Aufwand für andere getrieben wird.

Große Ökonomen haben das schon vor hundert Jahren beklagt, aber nie eine Lösung gefunden.

Ausgerechnet der große Kapitalismusverteidiger Joseph Schumpeter kam zu der Erkenntnis, dass der individualistische Utilitarismus, den der Kapitalismus generiert, die Gesellschaft und damit die Familie zersetzt. Dieser Utilitarismus passt nicht zur der Aussicht, dass man zum Beispiel von seinen Kindern in der Pubertät zwei Jahre lang unablässig beleidigt werden könnte. Die Erkenntnis dieses Konflikts ist tatsächlich keineswegs neu. Wer Familie hat, scheint darüber hinaus auch weniger frei zu sein...

...was einem Kapitalisten ja auch nicht gefallen kann.

Keinesfalls. Das ist die zweite, neuere Konfliktlinie. Ein Kapitalist will flüssig sein. Flüssiges Kapital, ein flüssiges Leben, hohe Flexibilität und Wandlungsfähigkeit in jeder Hinsicht. Der Kapitalist fürchtet die Festlegung wie der Fluss den Frost. Entscheidet man sich für Familie, legt man sich aber in hohem Maße fest - nicht nur mit seinem Kapital.

Womöglich ist die Eingrenzung der Freiheit das größte Problem.

Früher, vor 30 oder 40 Jahren hatten wir die Vorstellung, dass es irgendwo in den oberen Schichten der Gesellschaft ein paar Kapitalisten gibt, der Rest der Bevölkerung aber einer festen Arbeit nachgeht, versucht, irgendwie über die Runden zu kommen, und ansonsten in bestimmten Traditionen und familiären Zusammenhängen lebt. Der Grundkonflikt war nicht so offensichtlich.

Und heute?

Heute hat sich die Ansicht durchgesetzt, dass wir irgendwie alle Kapitalisten sein sollten. Das verschärft den Konflikt enorm. Denn den Lebensstil des Kapitalisten haben sich inzwischen auch die Normalsterblichen zu eigen gemacht.

Wie sieht der denn aus?

Ungebunden, flexibel, an sich arbeitend, das Maximum aus sich herausholend, einsatzbereit, gewinnorientiert.

Das muss nicht unbedingt alles schlecht sein.

Stimmt. Nur verschiebt sich dadurch die Wertschätzung verschiedener Dinge, die alle zu einem guten Leben beitragen können. Familie wird nach hinten gedrängt, weil sie genau dazu nicht passt. Ein Kapitalist verträgt es schlecht, dass sein Kapital zu lange gebunden ist. Er muss sich verändern, um profitabel zu bleiben. Und er muss das Gefühl haben, am Drücker zu sitzen. Das ist für den Kapitalisten das höchste Gefühl der Freiheit. Aber irgendwie hat das auch etwas Borniertes - ich würde sagen: etwas Unfreies. Man schlägt sich damit nämlich die Tür zu ziemlich glücksträchtigen Erfahrungen zu, in denen man sich vorbehaltlos auf andere Menschen einlässt ...

... sich damit aber festlegt.

Zwar ist auch die Familie ein Tummelplatz von Veränderungen. Aber selbst wenn die Familie scheitert oder auseinanderbricht, bleiben Festlegungen. Familienmitglieder kann man nicht abschaffen. Der Kapitalist dagegen geht permanent neue Risiken ein.

Sich für eine Familie zu entscheiden, ist auch nicht ohne Risiko.

Aber in ganz anderer Weise.

Worin liegt der Unterschied?

Beim normalen Risiko nimmt man sich etwas vor und wägt die Möglichkeiten des Erfolges oder Scheiterns ab. Man steht oben an einer schwarzen Piste und überlegt sich angesichts seiner Fähigkeiten, die man kennt, die Wahrscheinlichkeit des Sturzes und seine Folgen. Oder man investiert in ein Wertpapier, über das man vorher alle möglichen Informationen eingeholt hat, und nimmt das Kursrisiko in Kauf. Ganz anders verhält es sich mit der Entscheidung für Familie: Man weiß vorher überhaupt nicht, worauf man sich einlässt und was man sich da eigentlich vornimmt. Das macht die klassische Risiko-abwägung total unmöglich.

Anders als bei der schwarzen Piste, aus deren Bewältigung ich bei allem Risiko sogar Genuss ziehe?

So funktioniert die Sache mit der Familie eben nicht. Ich kann weder den Ablauf der Angelegenheit überschauen, noch die Chancen und Risiken einschätzen. Trotzdem lege ich mich fest, und zwar sehr lange. Das Besondere an dem Abenteuer Elternschaft ist eben eine ganz fundamentale Unabwägbarkeit dessen, was passiert - mit einem selbst, mit den Kindern, mit der Beziehung zum Partner. Der Kapitalist spielt mit dem Risiko. Bei der Familie muss man bereit sein, dieses ganze Risikospiel sein zu lassen. Sonst kann man sich darauf nicht einlassen.

Das tun derzeit immer weniger Menschen.

Obwohl der Wunsch junger Menschen nach Familie in allen Umfragen ungebrochen hoch ist. Aber wenn der Moment kommt, sich einen Ruck zu geben, spüren viele junge Menschen, dass sie eigentlich ratlos, hilflos vor dieser Zukunft stehen - jedenfalls solange sie in der Denkblockade ihres Risikokalküls stecken bleiben. Der Haken an der Sache ist: Sie schauen deshalb immer nur darauf, was auf dem Spiel steht und was für sie selbst am Ende herauspringt. So wie die Bindungen in der Familie quer zu unserer Leistungsgesellschaft liegen, so passen die Genüsse, die zur Familie gehören, nicht zu unserer Konsumgesellschaft.

Die Familie ist älter als jedes Gesellschaftssystem. Im Sozialismus hat man offen versucht, sie zu zerstören - ohne Erfolg. Wird es der Kapitalismus schaffen?

Es gab tatsächlich massive Zerstörungsversuche der Familie in der frühen Sowjetunion. 1917 hieß es, die Kinder gehörten nicht den Eltern, sondern dem Vaterland. Aber knapp zehn Jahre später hat der Staat von

diesem Vorhaben wieder abgelassen - nicht ohne Grund. Wie gesagt, im Kapitalismus geht es da etwas subtiler zur Sache.

Und womöglich wirkungsvoller, weil die Familienfeindlichkeit hier systemimmanent ist.

Die Zersetzung vollzieht sich schleichend: Schauen Sie sich die jungen Menschen an. Sie scheuen die frühe Festlegung, schieben die Entscheidung für Familie immer weiter auf, weil nie der richtige Moment da ist - das hat viel mit unserem Wettbewerbssystem zu tun. Unsere Gesellschaft ist in Schiefelage geraten wie ein langer Tisch, der sich unmerklich zur Seite neigt. Wenn man daran sitzt, merkt man es kaum. Aber wenn man eine Kugel auf ihm laufen ließe, würde sie zu einer Seite rollen. Und das ist nicht die Seite der Familie. Wie schief die Tischplatte schon ist, erkennt man an den großen Schwierigkeiten, familienpolitisch gegenzusteuern.

In anderen Ländern steht die Familie höher im Kurs, gerade auch dort, wo die Marktwirtschaft das dominierende Wirtschaftssystem ist. Das passt nicht in Ihr Bild.

Richtig. In den Vereinigten Staaten, Skandinavien und Frankreich scheint es um die Familie besser bestellt als bei uns, in Südeuropa oder dem Schlusslicht Südkorea. Die These von der Familienfeindlichkeit des Kapitalismus kann nicht alles erklären. In Frankreich gibt es eine seit Jahren gleichgerichtete Familienpolitik, die mit großer Selbstverständlichkeit auf die Vereinbarkeit von Familie und Beruf setzt. In den Vereinigten Staaten mit sehr wenigen familienpolitischen Leistungen ist das Erklärungsmuster die Religion. Es gibt dort eine deutlich stärkere Macht von Lebensidealen, zu denen die Familie eindeutig gehört. Aber auch in diesen Ländern arbeitet unterschwellig der negative Einfluss des Kapitalismus auf die Familie.

Zumal der Kapitaleinsatz für Kinder nicht gerade niedrig ist.

Überhaupt nicht. Es handelt sich in der Regel um sechstellige Summen, die ein Kind im Leben kostet, ohne dass man abschätzen kann, was daraus wird. Man kann 500.000 Euro auch gut und vergleichsweise sicher am Kapitalmarkt anlegen. Es ist allemal sicherer, dafür Wertpapiere zu kaufen, als ein Kind großzuziehen.

Wollen Sie sagen, wer einen guten Beruf hat und keine Kinder, ist am Ende des Lebens reicher?

Ökonomisch gesehen auf jeden Fall. Auch weil das alte Spiel, dass die Kinder einem sein eingesetztes Kapital im Alter in irgendeiner Form zurückerstatten, so nicht mehr gültig ist. Aber ohne Familie wird man doch auch ärmer: an Lebenserfahrungen!

Wenn sich diese Form des Ärmerwerdens in Geldeinheiten bewerten ließe, dann hätte der Kapitalist womöglich ein Einsehen, dass ihm ohne Familie etwas fehlt.

Aber für diesen Verlust gibt es eben kein Preisschild, weil keine ordentlichen Kriterien für die Wertschöpfung in der Familie bestehen. Sie passt nicht zum rein am ökonomischen Nutzen orientierten Kapitalismus, auch wenn er auf sie angewiesen ist. Deswegen kann man auch das Ärmerwerden nicht ökonomisch bewerten.

Also gibt es keine Chance, den Kapitalismus mit der Familie zu versöhnen?

Vom System her eigentlich nicht. Aber vom Menschen her schon. Der ist nämlich nicht ausschließlich von ökonomischer Logik besessen. Die Glückserfahrungen, die Familie eben auch mit sich bringt, haben noch immer eine ziemlich hohe Anziehungskraft.

Das Gespräch führte Inge Kloepfer.

Quelle: F.A.S.

December 16, 2012

That Terrible Trillion

OPINION PAGE, By [PAUL KRUGMAN](#)

As you might imagine, I find myself in a lot of discussions about U.S. fiscal policy, and the budget deficit in particular. And there's one thing I can count on in these discussions: At some point someone will announce, in dire tones, that we have a ONE TRILLION DOLLAR deficit.

No, I don't think the people making this pronouncement realize that they sound just like Dr. Evil in the Austin Powers movies.

Anyway, we do indeed have a ONE TRILLION DOLLAR deficit, or at least we did; in fiscal 2012, which ended in September, the deficit was actually \$1.089 trillion. (It will be lower this year.) **The question is what lesson we should take from that figure.**

What the Dr. Evil types think, and want you to think, is that the big current deficit is a sign that our fiscal position is completely unsustainable. Sometimes they argue that it means that a debt crisis is just around the corner, although they've been predicting that for years and it keeps not happening. (U.S. borrowing costs are near historic lows.) **But more often they use the deficit to argue that we can't afford to maintain programs like Social Security, Medicare and Medicaid. So it's important to understand that this is completely wrong.**

Now, America does have a long-run budget problem, thanks to our aging population and the rising cost of health care. However, the current deficit has nothing to do with that problem, and says nothing at all about the sustainability of our social insurance programs. Instead, it mainly reflects the depressed state of the economy — a depression that would be made even worse by attempts to shrink the deficit rapidly.

So, let's talk about the numbers.

The first thing we need to ask is what a sustainable budget would look like. The answer is that in a growing economy, budgets don't have to be balanced to be sustainable. Federal debt was higher at the end of the Clinton years than at the beginning — that is, the deficits of the Clinton administration's early years outweighed the surpluses at the end. Yet because gross domestic product rose over those eight years, the best measure of our debt position, the ratio of debt to G.D.P., fell dramatically, from 49 to 33 percent.

Right now, given reasonable estimates of likely future growth and inflation, we would have a stable or declining ratio of debt to G.D.P. even if we had a [\\$400 billion deficit](#). You can argue that we should do better; but if the question is whether current deficits are sustainable, you should take \$400 billion off the table right away.

That still leaves \$600 billion or so. What's that about? It's the depressed economy — full stop.

First of all, the weakness of the economy has led directly to lower revenues; when G.D.P. falls, the federal tax take falls too, and in fact always falls substantially more in percentage terms. On top of that, revenue is temporarily depressed by tax breaks, notably the payroll tax cut, that have been put in place to support the economy but will be withdrawn as soon as the economy is stronger (or, unfortunately, even before then). If you do the math, it seems likely that full economic recovery would raise revenue by at least \$450 billion.

Meanwhile, the depressed economy has also temporarily raised spending, because more people qualify for unemployment insurance and means-tested programs like food stamps and Medicaid. A reasonable estimate is that economic recovery would reduce federal spending on such programs by at least \$150 billion.

Putting all this together, it turns out that the trillion-dollar deficit isn't a sign of unsustainable finances at all. Some of the deficit is in fact sustainable; just about all of the rest would go away if we had an economic recovery.

And the prospects for economic recovery are looking pretty good right now — or would be looking good if it weren't for the political risks posed by Republican hostage-taking. Housing is reviving, consumer debt is down, employment has improved steadily among prime-age workers. Unfortunately, this recovery may well be derailed by the fiscal cliff and/or a confrontation over the debt ceiling; but this has nothing to do with the alleged unsustainability of the deficit.

Which brings us back to ONE TRILLION DOLLARS.

We do indeed have a big budget deficit, and other things equal it would be better if the deficit were a lot smaller. But other things aren't equal; the deficit is a side-effect of an economic depression, and the first order of business should be to end that depression — which means, among other things, leaving the deficit alone for now.

And you should recognize all the hyped-up talk about the deficit for what it is: yet another disingenuous attempt to scare and bully the body politic into abandoning programs that shield both poor and middle-class Americans from harm.

December 16, 2012

Finest Hour for Draghi and Europe

OP-ED By HUGO DIXON | REUTERS

Who is Europe's most powerful man? If one phrased the question differently — who is Europe's most powerful person? — the answer might well be Angela Merkel. But the deliberate use of the masculine excludes the German chancellor, leaving the field open to Mario Draghi.

This answer can, of course, be disputed. How can one compare power in economics with power in, say, religion? Is it possible to rank the technocratic European Central Bank boss on the same scale, for example, as the pope?

The best place to start is with an attempt to understand what power is. **The British philosopher Bertrand Russell said it was the production of intended effects.** By contrast, **Steven Lukes**, one of the top contemporary power theorists, said in an interview last week that **power was the capacity to make a difference in a manner that is significant.**

What's appealing about the way that Mr. Lukes, a professor of sociology at New York University, puts things is his use of the word "significant." Whereas Mr. Russell just looks at whether people can get their way, the introduction of significance allows us, as observers, to take a view about whether powerful people are affecting things in a manner that matters to us.

That, in turn, allows us to rank individuals' power. We can decide that right now in Europe, what matters most is navigating the current euro crisis and pick our ranking with that in mind. That, indeed, is my view — which, of course, is somewhat subjective.

Let us return to Mr. Draghi, whom I have known since the mid-1990s. To see why he is so powerful, it is worth considering **the three P's of power: position, personality and pivot points.** Having a position that enjoys authority; possessing a personality that is astute enough to maximize the use of that authority; and operating at a point in history where one's actions have the chance to be pivotal — all these are important ingredients in the power mix. Mr. Draghi scores highly on all three.

Look, first, at position. The E.C.B. has the sole authority to print money for the 17 member countries of the euro monetary union. Mr. Draghi has used this power to huge effect since he took over as president in November 2011. **First, the E.C.B. lent banks €1 trillion, or about \$1.3 trillion, helping to avert a banking crisis.**

Then, **in July, during a particularly hot phase of the crisis, Mr. Draghi uttered his famous phrase about doing within the E.C.B.'s mandate "whatever it takes to preserve the euro," adding, "and believe me, it will be enough."** The E.C.B. later spelled out **its willingness to spend potentially unlimited sums of money buying sovereign bonds. The markets calmed down.**

The E.C.B.'s power does not just come from its money-printing authority, but also from its independence — which is enshrined in the Maastricht Treaty that established the European Union. Although its president is appointed by politicians, he gets an eight-year term. Once he is in place, he can only be removed in the event of incapacity or serious misconduct. Unlike prime ministers and presidents, he does not have to face the electorate. **Mr. Draghi is in an especially strong position because his term has seven more years to run; he is not remotely a lame duck.**

The Italian central banker, though, has not just relied on this strong position. His personality is particularly well suited to wielding power. For many years, he survived and thrived while playing Rome's power games. This is partly because, like a chess grandmaster, **he always thinks several moves ahead.** That gives him a good understanding of the dynamics of a situation.

Mr. Draghi also gives huge importance to credibility. Through his orthodox central banking rhetoric, he convinced the German people that he was really not from Southern Europe at all. If he had been considered to be more Italian, he would not have gotten the E.C.B. job in the first place. Bild, the influential German tabloid, even celebrated his nomination as E.C.B. president by running a doctored photo of him wearing a Prussian spiked helmet.

Bild did turn on Mr. Draghi after his promise to buy potentially unlimited quantities of sovereign bonds. But, critically, Ms. Merkel — whose approval was not required but whose tacit support gave him valuable cover — did not.

Mr. Draghi's credibility with the markets has also magnified his influence. So much so that he has not yet even needed to buy a single sovereign bond.

Position and personality, though, are not the only ingredients of Mr. Draghi's power. He has taken the role of E.C.B. boss at a pivotal moment, when the power to print money is crucial. In a financial crisis, the ability to supply liquidity is of paramount importance.

Mr. Draghi has understood the importance of pivotal points in history and used his position and personality to have a big impact. As such, he scores AAA on the three P's of power — in a way that puts him ahead of, say, Mario Monti of Italy or François Hollande of France, neither of whom would get straight A's.

The E.C.B. boss should not let the plaudits go to his head, however. Much of the euro zone is in deep recession. If growth does not return, the crisis could enter a new ugly phase, and his powers will be sorely tested.

Hugo Dixon is the founder and editor of Reuters Breakingviews.

Europäische Zentralbank

Draghi verteidigt die EU-Bankenaufsicht

17.12.2012 · Mario Draghi hat „keine Zweifel an der Rechtmäßigkeit“ der europäischen Bankenaufsicht. Der neue EZB-Direktor Yves Mersch stimmt ihm zu und spricht sich im F.A.Z.-Interview zudem gegen eine weitere Leitzinssenkung aus.

Der EZB-Präsident Mario Draghi hat vor dem Wirtschafts- und Währungsausschuss des Europaparlaments die gemeinsame europäische Bankenaufsicht verteidigt. Es gebe keine Zweifel an der Rechtmäßigkeit der Aufsicht, die unter dem Dach der Europäischen Zentralbank geschaffen werden soll. Zudem unterstütze eine wirksame Bankenaufsicht die Umsetzung der Geldpolitik, sagte Draghi. Er schätze die Inflationsrisiken als ausgewogen ein und sagte, es gebe gleichwohl kaum Spielraum für weitere Kredithilfen für Krisenstaaten durch die EZB. Er verwies darauf, dass die EZB langfristige Refinanzierungsgeschäfte geschaffen habe und in die Liste der Sicherheiten erweitert habe. Mehr zu tun, sei „sehr schwierig“, sagte Draghi.

Auch der neue EZB-Direktor Yves Mersch verteidigte im Interview mit der F.A.Z. (Dienstags-Ausgabe) die Rolle der EZB in der Bankenaufsicht. Der Zielkonflikt zwischen der Verhinderung von Inflation und der Sicherung der Finanzstabilität sei auf seltene Ausnahmen beschränkt. In den allermeisten Fällen unterstütze Preisstabilität die Stabilität der Banken. Im Zweifel werde sich die Zentralbank aber immer für ihren primären Auftrag, die Sicherung der Preisniveaustabilität, entscheiden. Mersch sprach sich außerdem gegen eine weitere Leitzinssenkung aus. Viele Investoren spekulieren auf einen solchen Schritt im Laufe des kommenden Jahres. Im Moment mache die EZB Geldpolitik vor allem mit unkonventionellen Mitteln, weil diese angesichts des gestörten Wirkungskanals der konventionellen Geldpolitik derzeit besser wirkten. „Deshalb verstehe ich die Diskussion über eine Zinssenkung nicht so recht“, sagte Mersch.

Wachstum geringer als bisher angenommen

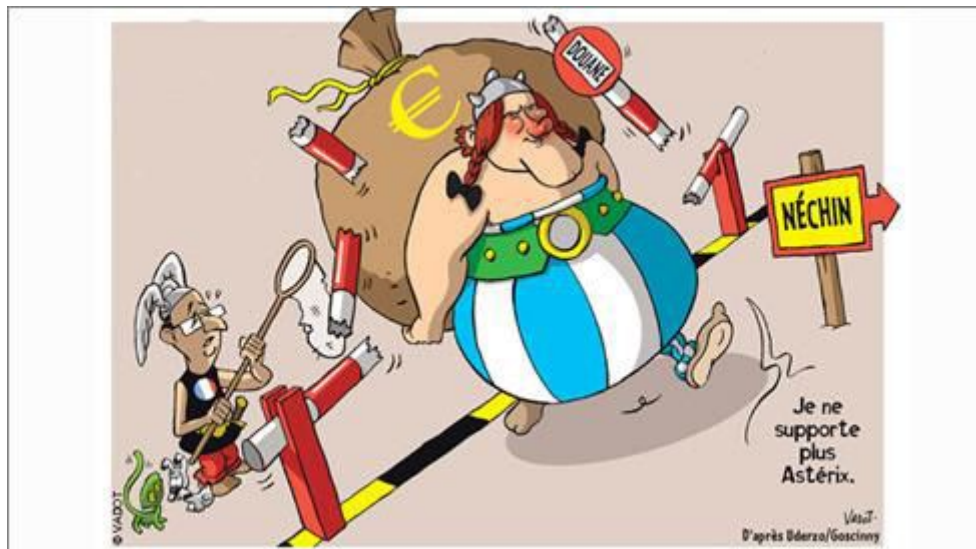
Die Deutsche Bundesbank hat am Montag derweil vor einer Rezession der deutschen Wirtschaft im Winterhalbjahr gewarnt. Die jüngsten Konjunkturindikatoren deuteten auf einen spürbaren Rückgang der gesamtwirtschaftlichen Produktion zum Jahresende hin, heißt es im Monatsbericht. Die Schwäche gehe vor allem von der Industrie aus. Insbesondere die Hersteller von Investitionsgütern haben demnach ihre Produktion reduziert, weil weniger Maschinen und Geräte bestellt werden. Die schwache wirtschaftliche Entwicklung sei auf die Anpassungsrezessionen im Euroraum und auf die Verlangsamung der globalen Konjunktur zurückzuführen. Die Bundesbank hofft jedoch, dass die wirtschaftliche Schwächephase in Deutschland nicht lange dauern wird.

Wegen der schwierigen wirtschaftlichen Lage in Teilen des Euroraums und der verbreiteten Verunsicherung werde das Wachstum allerdings geringer ausfallen als bisher angenommen. Die Bundesbank geht von einem Wachstum in diesem Jahr von 0,7 Prozent aus und erwartet für 2013 eine Zunahme des Bruttoinlandsprodukts um 0,4 Prozent und im Jahr 2014 um 1,9 Prozent. Bei der letzten halbjährlichen Voraussage im Juni hatte die Bundesbank für dieses Jahr mit einem Plus von 1 Prozent und im nächsten von 1,6 Prozent gerechnet.

Taxing times for wealthy Gauls

17 December 2012

[Le Monde](#) Paris



Actor Gérard Depardieu tells French President François Hollande: "I'm not backing you any more, Asterix"

[Nicolas Vadot](#)

Actor Gérard Depardieu, an icon of French cinema, is settling in Belgium to benefit from the country's lower tax rates. His decision unleashed a passionate debate on tax rates for the wealthy, economic patriotism and European fiscal policy.

Two centuries or so ago, French aristocrats chose exile to escape the "sans culottes" [revolutionary rabble] and the guillotine. New times, new trends. Today the (very) wealthy today choose fiscal exile to flee taxation that they see as killing them or, at the very least, as "expropriation".

Gérard Depardieu is one of these people. And, as is often the case with this icon of the French cinema, his case has taken on proportions that are as huge as they are incongruous. His choice, announced in early December, to reside in Belgium is unambiguous: he intends to benefit from the benevolent tax policies on the other side of the border.

He was not afraid to set off a national drama worthy of his celebrity status. "Pretty pathetic," commented Prime Minister Jean-Marc Ayrault. "Who are you to judge me in this way?" [Depardieu replied with his best dramatic flourish](#), even threatening to return his passport and to give-up his French nationality.

Slanging match

This set off a new hue and cry with the Labour Minister referring outright to "a kind of personal decline" and the Minister of Culture, showing a tad more humour, called on the actor to "return to silent films".

One Socialist MP went so far as to suggest that tax exiles be stripped of their nationality. Playful minds will see in this "affair" a surrealist farce. The more politically-minded will see a cold response of the wealthiest to the severity of French tax authorities as well as the demonstration that, for them, managing their capital is of much greater concern than the national interest. Nonetheless, everyone would do well to think about the cause of this drama.

It goes back to the presidential campaign. Wanting to make an impression and to provide some guarantees to the Left, François Hollande caused a surprise by proposing to tax revenues above €1m at a rate of 75 per cent.

Seen as expropriation by conservatives – which is questionable since similar rates existed previously in the 1970s [under conservative governments] – the rate was justified, he assured, by the duty of solidarity and the need to redress calamitous public accounts. Obviously, these arguments did not convince those concerned. There is a reason for this.

Punitive rate

On the one hand, the 75 per cent rate seems punitive. If Hollande wanted to respect the spirit of the Declaration of Human Rights, according to which citizens must make tax contributions "according to their ability", he would have imposed two, three, even four additional brackets, reaching, if need be, the rate of 75 per cent.

On the other hand, it shows that fiscal policy in a single country is inefficient in these days of globalisation and of free circulation of European citizens.

Holland runs the risk of paying the political price for his shock electoral announcement last spring. He may be dragging this controversy in the same way [former conservative President] Nicolas Sarkozy towed his fiscal shield [which, conversely, capped taxes on the wealthiest].

Raising taxes is necessary; the wealthiest must contribute more than the others. But, in the end, the symbolic brutality of the 75 per cent rate undermines this message.

On the web

- [La Libre Belgique article](#) fr
- [Le Temps article](#) fr

The view from Brussels

Discreet irony in Belgium



While Gérard Depardieu's decision to become a tax exile in Belgium has met with invective in France, it is viewed with irony and amusement by the Belgian press. A case in point is [La Libre Belgique](#) whose December 17 edition headlines with "Cross-country actor seeks clement fiscal climate," and features a report on the French actor's [request for information](#) on the conditions he would need to fulfil to obtain Belgian nationality.

Adopting a more critical standpoint, the [Le Temps correspondent in Brussels remarks](#) on "Belgium's silence" amid the controversy. While French President François Hollande has "confirmed his intention to renegotiate tax agreements" with the government in Brussels, Belgian Prime Minister Elio Di Rupo has carefully avoided mention of the subject. And with good reason, notes Richard Werly

on the Belgian side, there has been no official comment on “the affair” and the controversy which was reignited by Gérard Depardieu’s angry letter of last Sunday. It is a silence that reflects two very obvious facts: the continuing political vulnerability of Elio Di Rupo, and the treacherous nature of the general question of capital flight and the particular issue of taxation in Belgium.

The silence of Elio Di Rupo, who was careful not to comment on the arrival of another tax exile, French billionaire Bernard Arnault, is indicative of the limits imposed by the complex political situation in Belgium, and by the [European action plan to strengthen the fight against tax evasion](#), which was presented by the European Commission on December 6 in Brussels.”

Vers un déficit des retraites de 20 à 25 milliards en 2020

Par [Guillaume Guichard](#) Publié le 17/12/2012 à 19:31 [Réactions](#) (17)

La crise a continué à déstabiliser les régimes de retraite, qui seront en déficit de 18,8 milliards dès 2017, d'après les calculs du Conseil d'orientation des retraites. Le déficit devrait se creuser encore plus ensuite.

Si rien ne change, le système des retraites court une nouvelle fois à la faillite. C'est **l'alerte rouge** envoyée par le Conseil d'orientation des retraites (COR) dans son rapport de réactualisation des perspectives financières des régimes à paraître mercredi et dont *Le Figaro* a obtenu une copie. Si aucun correctif n'est apporté, selon le COR, «le besoin de financement se creuserait, passant de 14 milliards d'euros en 2011 à 18,8 en 2017».

Pis, le déficit des 33 principaux régimes de base et complémentaires varierait de 20,8 milliards en 2020 pour le scénario le plus optimiste à 24,9 pour le plus pessimiste. «La situation financière serait marquée par le contexte macroéconomique dégradé lié à la poursuite de la crise jusqu'en 2013, puis par l'amélioration progressive escomptée jusqu'en 2020», décrit le COR.

Prévisions catastrophiques

À l'horizon 2060, les différentes projections font le grand écart. Le plus rose des scénarios - qui table sur une baisse à terme du taux de chômage à 4% (contre 10% aujourd'hui) - aboutit à un excédent de 93 milliards. Le plus noir (7% de chômage) débouche quant à lui sur un trou abyssal de... 105 milliards. «Cette fourchette souligne la grande sensibilité de l'équilibre de long terme du système de retraite aux évolutions démographiques et économiques», se justifie le COR.

Le rapport entre cotisants et retraités, par exemple, devrait d'abord rester stable. De 1,65 à l'horizon 2020, il baissera «fortement sous l'effet du papy boom pour passer à moins de 1,4 dans les années 2040, et à moins de 1,35 à l'horizon 2060», prévoit le COR. Ces prévisions catastrophiques rendent inévitable une nouvelle réforme des retraites en 2013.

The euro zone crisis

Growth problem

Dec 17th 2012, 17:32 by Buttonwood

EUROPE's politicians are often berated for an excessive focus on austerity. And it seems likely that there is a huge problem with several countries pursuing austerity simultaneously. One cannot switch the economy from domestic consumption to exports, if all your neighbors are trying to do the same. Canada's success in the 1990s occurred during the great boom of its biggest trading partner, the US.

The slowdown

Real GDP growth rate by decade, %

Country	1960s	1970s	1980s	1990s	2000s
Spain	110.0	42.0	31.1	31.1	24.1
Britain	33.9	28.0	33.3	29.7	19.7
US	49.5	38.8	35.9	37.4	17.3
Netherlands	60.3	39.8	21.2	36.9	14.9
France	70.4	41.9	25.8	20.7	11.7
Germany	53.5	39.4	22.9	22.3	8.4
Italy	76.9	43.6	27.6	16.1	4.1

Source: OECD

But it is worth remembering that Europe's growth problems did not start in 2010. As the table shows, real growth rate in the six European countries featured above has been slower in each successive decade (on average); the drop between the 1960s and the noughties was a staggering 54 percentage points. The US, which is shown for contrast, saw fairly steady growth from the 1970s to the 1990s before dropping off this century.

This is what makes the debt crisis so difficult (and we are talking here about the totality of debt in the economy; consumer, finance sector and corporate, as well as government). **The best way to eliminate a debt problem is to grow the economy rapidly but Europe seems to have lost the knack. And the demography is not encouraging because the workforce is likely to stagnate or shrink. Indeed, there was something perverse about taking on so much debt in the first place; debt requires confidence, on the part of the lender or the borrower and ideally both, that the borrower's income is going to grow. But Europeans piled up the debt even as the growth rate slowed, rather like a 64-year old going on a spending spree before retirement.**

A company can borrow to invest and a society can too. But there is not much evidence that the debt has been used to finance productive investment; it seems to have gone on speculation and consumption. **We have "borrowed from the future" and are suffering accordingly.**

It may well be that European economies would perform better collectively if austerity programmes were relaxed. But it is a stretch to believe that Europe can return to the growth rates seen in the 1960s or even the 1970s. And those rates might be needed to make the debt problem go painlessly away.

Énergie : le charbon bientôt plus utilisé que le pétrole

Par Fabrice Nodé-Langlois | Publié le 18/12/2012 à 10:13 | Mise à jour le 18/12/2012 à 12:16 | [Réactions \(9\)](#)



Une mine de charbon en Australie. Crédit Photo : Rob Griffith/AP

Tiré par la demande de la Chine et de l'Inde, le charbon, symbole du XIXe siècle industriel, deviendra d'ici à 2017 la première source d'énergie dans le monde.

À l'heure où l'Europe se fixe des objectifs pour développer davantage les énergies décarbonées, où progressent à grande échelle l'[éolien](#) et le [solaire](#), la principale source d'énergie mondiale sera bientôt le [charbon](#), l'énergie du XIXe siècle, et le plus polluant des combustibles fossiles. Au cours de la première décennie du XXIe siècle, c'est en effet le charbon qui a satisfait la moitié des nouveaux besoins énergétiques, indique [un rapport](#) publié mardi par l'Agence internationale de l'énergie ([AIE](#)).

La part du charbon dans le bouquet énergétique n'a cessé de croître ces dernières années et d'ici à 2017, elle devrait pratiquement égaler celle du [pétrole](#), énergie reine du XXe siècle. Selon l'AIE, le monde consommera d'ici cinq ans 4,32 milliards de tonnes équivalent pétrole de charbon contre 4,85 milliards pour l'or noir. La demande devrait progresser dans toutes les régions du monde à l'exception des États-Unis où le [gaz de schiste](#), abondant, bon marché et moins polluant, se substitue au charbon pour la production électrique.

Ce sont, sans surprise, la Chine et l'Inde qui mènent la danse. Leur appétit énergétique tire la demande mondiale de charbon. Au point que la consommation supplémentaire annuelle, en 2017, de 1,2 milliard de tonnes de charbon, équivaut à la consommation des États-Unis et de la Russie cumulées.

L'Europe consomme plus de charbon

L'Europe elle-même, a augmenté récemment sa consommation de charbon, moins cher que le gaz. L'Allemagne qui a fermé ses centrales nucléaires a massivement recouru pour l'heure à cette énergie du XIXe siècle pour alimenter ses centrales électriques. L'AIE prévoit toutefois que la demande européenne de houille et de lignite devrait de nouveau reculer d'ici à 2017.

[Maria van der Hoeven](#), la directrice générale de l'AIE ne se réjouit pas de ce constat. «Malgré les efforts des industriels de promouvoir un charbon "propre", la "matière noire" reste le plus sale des combustibles fossiles. Une centrale à charbon émet en moyenne une tonne de CO₂ par mégawattheure produit, soit le double d'une centrale gaz à cycle combiné», poursuit-elle dans un commentaire publié avec le rapport.

Pour réduire les émissions de gaz à effet de serre liées à la combustion de charbon, la technique de capture et le stockage de CO₂ (CCS, selon l'acronyme anglais) évoquée pour le haut-fourneau ArcelorMittal de Florange,

n'est pas mûre, constate l'AIE. Maria van der Hoeven plaide pour la mise en place d'un prix élevé du carbone, comme arme dissuasive contre le déploiement des centrales les plus polluantes.

À plus court terme, elle prend clairement parti pour le développement de l'exploitation du gaz. «L'expérience américaine suggère qu'un marché du gaz plus souple, alimenté par des ressources nationales de gaz non conventionnels, extraits dans le respect des normes environnementales, permet de réduire l'usage du charbon, les rejets de CO₂ et la facture du consommateur sans entamer la sécurité d'approvisionnement». Et la patronne de l'AIE de conclure: «L'Inde et la Chine devraient en prendre note».

Dépense publique et retraites : le temps du courage

Editorial LE MONDE | 18.12.2012 à 11h46 • Mis à jour le 18.12.2012 à 15h13

François Hollande le savait en s'installant à l'Élysée. Il le vérifie chaque jour davantage : la situation économique du pays est périlleuse, et les choix qu'il va [devoir faire](#) durant son mandat redoutables. C'était vrai en 2012, avec une croissance en berne, des comptes publics plus que jamais dans le rouge et un chômage en progression vertigineuse. Ce le sera, plus encore, en 2013, dès lors que la récession menace, en France comme en [Europe](#).

Martelé durant sa campagne, réitéré depuis, l'engagement décisif du président de la République est de [ramener](#) à zéro, en cinq ans, les déficits publics. Le défi est considérable. Il impose d'[actionner](#), vigoureusement, tous les leviers. D'une part, celui des recettes de l'État : chacun mesure déjà l'alourdissement de la fiscalité de près d'une quarantaine de milliards d'euros, dans le collectif budgétaire de l'été 2012 et le budget 2013. D'autre part, celui des dépenses. Le chef de l'État a précisé l'ampleur de l'effort nécessaire : au bas mot, 60 milliards d'euros d'économies, dont 10 pour [financer](#) le pacte de compétitivité.

Reste le plus dur. L'État – mais aussi les collectivités locales – doit préciser où et comment dégager de telles économies. C'est-à-dire dans quels budgets [tailler](#), quels effectifs de la fonction publique [raboter](#), quelles politiques publiques réviser à la baisse. C'est l'enjeu du séminaire gouvernemental réuni mardi 18 décembre par le premier ministre.

M. Ayrault souhaite améliorer les méthodes de gestion. A la fameuse révision générale des politiques publiques (RGPP), engagée par le précédent gouvernement et qui atteint aujourd'hui ses limites, il entend [substituer](#) la "modernisation de l'action publique".

Reposant sur des évaluations moins mécaniques, plus fines, décentralisées et participatives, ce pilotage est destiné à mieux dépenser l'argent public. Très bien. Mais cela ne dit pas comment cela permettra de dépenser moins. Recalibrer chaque [politique](#) publique ([logement](#), [famille](#), santé, formation professionnelle, recherche, soutien aux [entreprises](#)...) revient à [repenser](#) des pans entiers de notre système d'aides publiques et de solidarité nationale. Ce sont autant de choix socialement délicats et politiquement explosifs.

Et pour [corser](#) un peu plus l'exercice, voilà que revient au premier plan des préoccupations gouvernementales la question des retraites, que la gauche a soigneusement esquivée quand elle était aux affaires dans les années 1980-1990. La [réforme](#), si contestée, de l'automne 2010 était censée [remettre](#) les régimes de retraite à l'équilibre en 2020. On en sera loin, hélas : le Conseil d'orientation des retraites vient de [chiffrer](#) à 19 milliards d'euros le déficit à [combler](#) d'ici à 2017. Dès l'an prochain, le gouvernement va donc [devoir trouver](#) des réponses à cet autre casse-tête.

Là encore, les choix qui s'imposeront seront impopulaires. Là encore, il faudra à [François Hollande](#) et au gouvernement plus que du doigté : du courage. C'est la condition de sa réussite. C'est une nécessité vitale pour le pays.

- <http://online.wsj.com/article/SB10001424127887324407504578187023288733286.html?mod=WSJEU>
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EUROPE NEWS

December 18, 2012, 10:44 a.m. ET

EU Presses for More Action on Deficits

By [MATINA STEVIS](#) And [GEOFFREY T. SMITH](#)

BRUSSELS—The European Commission rammed home the need for countries with high debt and deficit levels to reduce them before they are overwhelmed by the demands of aging populations, **largely absolving member states with big current-account surpluses of blame for the region's woes.**

A long-awaited report on countries with "persistently large" current-account surpluses said rebalancing was already under way in some, notably Germany. Still, it urged those countries to do more to rebalance their economies by stimulating demand at home—chiefly in liberalizing their markets for services, and financial services in particular.

National current accounts measure the difference between the values of a country's combined exports and imports of trade and services, as well as the net income flows from investments.

The report is likely to disappoint countries such as France and Italy, which have long complained that their exports suffer from policy choices in countries such as Germany and the Netherlands, both of which run persistent surpluses.

The commission has prescribed detailed targets and policy recommendations for countries with deficits, but has shied away from doing so for those member states running a surplus.

In a separate report on debt sustainability, the commission warned that half the countries in the EU will have a debt load higher than 60% of annual economic output in 2014.

The two pieces of research on debt and surpluses are the commission's latest attempt to provide context and longer-term thinking about imbalances within the EU and especially within the euro zone.

The guidance that the research provides isn't binding on member states, but reinforces the prevailing tone of the current adjustment programs, **putting the onus on deficit countries to improve competitiveness and streamline their state spending.**

The conclusions about surpluses provided by experts from the commission—the European Union's executive arm—**incorporated many of the traditional arguments used by the surplus countries, particularly the need for aging populations to amass savings.**

The commission also accepted that stimulating demand in countries such as Germany would do more for neighboring countries such as Denmark or Austria than for countries that need it most, such as Greece and Portugal.

"The rebalancing inside the euro area [and of the EU] can...not consist of policies which undermine the competitiveness of the EU, of the euro area or even of individual member states in the global economy, or the objective of price stability," the commission said.

EU Economics Commissioner Olli Rehn told reporters in Brussels on Tuesday **that euro-area countries should aim for a current-account surplus.**

Because the euro area as a whole is a "large, open economy", surpluses in one place don't translate into deficits in another, he said.

Demographics alone suggest the euro zone should be running a current-account surplus, as aging populations need to accumulate savings to draw down in their retirement, the commission said.

The issue of current-account gaps between EU member states for many years has become particularly acute within the euro zone, where member states don't have the freedom to let their currency rise or fall.

Deficit countries such as Greece and Spain have had to reduce their current-account deficits by focusing on measures such as tax increases and spending cuts, which have depressed domestic demand, driving their countries into deep recessions.

Although Germany's current-account surplus is starting to fall as relative wages there rising faster than in troubled countries, **the surplus in the Netherlands has stuck above 7% of gross domestic product.**

The commission played down the interaction between euro-zone states as a cause of the imbalances, concentrating more on issues outside the euro area, **suggesting that deficit countries had been slow to adjust to the reality of global competition.**

It noted that although China and other emerging economies compete with almost all EU economies, "changes in world trade appear to have affected the deficit countries more."

In the report on debt sustainability, the commission warned that half a dozen countries—including Italy and the U.K. but not the three countries under fiscal adjustment programs—would have debt-to-GDP ratios above 100% in 2020. It also sounded the alarm over Spain and Cyprus, saying they face "fiscal stress" as early as 2013.

The commission said the crisis had made clear the need for major policy changes in social-welfare financing.

"The deterioration in fiscal positions and increases in government debt since 2008, together with the projected demographic transition due to an aging population, compound each other and make fiscal sustainability an acute policy challenge," the commission said.

The sustainability report is a comprehensive health check of public-sector debt in the EU. The last report was published in 2009.

The report analyzes debt on a country-by-country basis but doesn't go into the problems of Greece, Portugal and Ireland, so as not to prejudice their adjustment programs agreed with the euro zone and the International Monetary Fund.

Gesine Schwan zur Zukunft Europas

Wie wollen wir die politische Union in Europa?

18.12.2012 · Der mit der Krise gerechtfertigte Vorrang der Exekutive ist kein Modell für ein demokratisches Europa. Um bessere Entscheidungen treffen zu können, ist der Widerspruch der Parlamente notwendig.

Von Gesine Schwan



Platz für Gestaltungsraum: Der Plenarsaal des Europaparlaments in Brüssel

Wollen wir wirklich eine politische Union in Europa? Und wenn ja, was meinen wir damit? Da wir vermutlich vor einer Weichenstellung mit erheblichen Folgen stehen und die Zeit drängt, sollten wir die verschiedenen Ideen dazu klären und uns ihre strategischen Implikationen vor Augen führen. **Einiges spricht dafür, dass die aktuellen Vorschläge, würde man sie durchsetzen, Europa zerreißen würden, weil sie die Vielfalt der Gesellschaften missachten.** Überdies würden sie den innovativen Reichtum dieser Vielfalt zugunsten von zentralistischer und undurchsichtig bürokratischer Kontrolle unterdrücken. **Wir bekämen eine exekutiv-technokratische, keine demokratische politische Union. Damit würde die EU sich endgültig von ihren Bürgern verabschieden.**

Aber noch besteht Gestaltungsspielraum. Zwar zielen zum Beispiel die Vorschläge, die Bundeskanzlerin Merkel jüngst im Europäischen Parlament für eine politische Union vorgetragen hat, im Wesentlichen auf einen Souveränitätsverlust der nationalen Regierungen und Parlamente zugunsten von Ministerrat, Europäischem Rat und Europäischer Kommission. Die exekutive europäische Koordinierung durch diese Institutionen soll auch Politiken umfassen, die im „Kernbereich nationaler Souveränität“ (Arbeitsmarkt- oder Steuerpolitik) liegen.

„Die europäischen Institutionen müssen“, so sagte sie, „gestärkt werden, um Fehlverhalten und Regelverstöße wirksam korrigieren zu können.“ Dort, wo die Nationalstaaten den Vorgaben dieser großen drei nicht entsprechen, will sie „der europäischen Ebene echte Durchgriffsrechte gegenüber den nationalen Haushalten gewähren, wo die vereinbarten Grenzwerte des Stabilitäts- und Wachstumspaktes nicht eingehalten werden“. Das klingt nicht nach partnerschaftlicher Zusammenarbeit.

Legitimation und Kontrolle

Andererseits legt die Formulierung der „vereinbarten Grenzwerte“ den Gedanken einer Kooperation nahe. Die Kanzlerin fordert in diesem Sinne, „endlich zu einem echten Austausch zwischen der europäischen und der nationalen Ebene zu kommen“. Die Mitgliedstaaten sollen „mit Zustimmung ihrer Parlamente verbindliche Reformvereinbarungen mit der europäischen Ebene, also zum Beispiel der Europäischen Kommission, schließen“. Sie bezeichnet das Europäische Parlament als ihren Partner und setzt auf dessen Unterstützung.

Sie möchte „die notwendigen Interaktionen zwischen den verschiedenen Ebenen so ausgestalten, dass sie auch wirklich im Sinne von Jacques Delors zu mehr wirtschaftspolitischer Kooperation führen können“. Sie zielt auf „ein Europa der Stabilität und Stärke ... dafür brauchen wir mehr demokratische Legitimation und Kontrolle“. Dazu schlägt sie einen stärkeren Dialog zwischen den nationalen Parlamenten und dem Europaparlament vor - ein Gedanke, den man ausbauen könnte, um den Irrweg einer exekutiv-technokratischen politischen Union zu vermeiden.

Von den Bürgern ist keine Rede

Der Widerspruch in dieser Idee einer politischen Union besteht allerdings darin, dass man nicht für die Freiheit parlamentarischer Debatte, Entscheidung und Kontrolle plädieren und zugleich ein inhaltlich vorentschiedenes Ergebnis erwarten und durchsetzen kann. **Angela Merkel aber fordert bei ihren Unionsideen mit Selbstverständlichkeit, dass am Ende als gemeinsame europäische Wirtschafts-, Fiskal- und Haushaltspolitik ihr eigenes Verständnis von „Reformen“ und von „Wettbewerbsfähigkeit“ herauskommen muss - im Wesentlichen Senkung der Lohnstückkosten.**

Wachstum entsteht demnach nur durch solche Reformen und durch unternehmerische Tätigkeit, europäische Finanzmittel sollen der Realisierung so verstandener Reformen dienen. **Wachstum allein durch Sparen und „Reformen“, nicht durch zusätzliche Investitionen.**

Sich ihrer wirtschaftspolitischen Sicht anzuschließen, hält sie für eine Frage der Ehrlichkeit: „Denn - seien wir ehrlich - die europäische Staatsschuldenkrise ist in ihrem Kern auch eine Vertrauenskrise.“ Das notwendige Vertrauen in der europäischen Vertrauenskrise müssen wir demnach bei den Investoren zurückgewinnen. Von den Bürgern ist hier nicht die Rede. Und ob der Kern der Krise wirklich in den zu hohen Staatsschulden liegt und nicht in einer Refinanzierungskrise und einer mangelnden Solidarität gegenüber den europäischen Nachbarn und ihrer Zugehörigkeit zum Euro - weswegen die Investoren zögern, in der Eurozone zu investieren -, dies steht für sie nicht zur Debatte.

Missachtung der Legislative

Nun ist es aber ganz offensichtlich, dass es in der Europäischen Union durchaus unterschiedliche Ansichten darüber gibt, welche Wirtschafts-, Finanz- und Haushaltspolitik für die Zukunft sinnvoll ist. In der öffentlichen kontroversen und entscheidungswirksamen Debatte der nationalen Parlamente und des EU-Parlaments darüber läge eben die zentrale Bedingung dafür, dass die politische Union wirklich transparent demokratisch und nicht exekutiv-technokratisch gestaltet wird. Wenn man die Mitarbeit der nationalen Parlamente und des EU-Parlaments will, muss man sich der Auseinandersetzung stellen.

Exekutiven unterliegen immer der Verführung, sich lästigen Widerspruch vom Halse zu halten. Der aber ist notwendig, um alle Seiten einer Entscheidung zu prüfen und dann die beste zu treffen. Und um die Legitimation durch die Vertretungen der Bürger zu gewinnen. Der immer wieder mit der Krise gerechtfertigte absolute Vorrang der Exekutive in den letzten Jahren ist kein nachhaltiges Modell für eine demokratische politische Union. Es war auch kein Zufall, dass das Bundesverfassungsgericht im Juni dieses Jahres der Bundesregierung minutiös die Missachtung des Bundestags angekreidet hat.

Deshalb müssen wir für die politische Union darauf achten, dass den Parlamenten nicht nur schöne Versprechungen gemacht werden. Sie müssen wirklich ihren Part in einer europäischen politischen Union spielen. Mit etwas Phantasie könnte man dabei überdies die gegenwärtige Denkblockade überwinden, die meint, zwischen Renationalisierung und europäischem Superstaat wählen zu müssen.

Spielraum für Änderungen

Am Beispiel des „Europäischen Semesters“, das seit 2011 die europäische Wirtschafts-, Finanz- und Haushaltspolitik koordinieren helfen soll, kann man das erläutern: Demnach legt am Ende eines Haushaltsjahres die Europäische Kommission einen Wachstumsbericht für das kommende Haushaltsjahr und Vorschläge für die Wirtschaftspolitik vor, um die nationalen Haushalte des übernächsten Jahres vorzubereiten.

Der Bericht geht an das EU-Parlament und an den Ministerrat, der dem Europäischen Rat Vorschläge für die europäische und für die nationalen Wirtschaftspolitiken macht. Der beschließt im Frühjahr darüber, gibt seine Entscheidung an den Ministerrat zurück, und der leitet das Ergebnis an die Kommission, die dann mit den Einzelstaaten Verträge über deren Politiken aushandelt.

Die nationalen Parlamente erhalten das Ergebnis im Sommer und haben wenig Spielraum, an allem, was Ministerrat, Europäischer Rat und Kommission beschlossen haben, noch etwas zu ändern. Wenn man die politische Union demokratisch gestalten und den Parlamenten auf beiden Ebenen Kontrollrechte wirklich geben will, muss man sie stattdessen von Anfang an in die Planung der kommenden Haushalte einbeziehen.

Der Vielfalt gerecht werden

Man könnte übrigens die Alternative zwischen politischer Union durch Souveränitätsabgabe einerseits und Renationalisierung andererseits überwinden, indem das EU-Parlament nationale Parlamentsvertreter zu seinen Beratungen einlädt und umgekehrt nationale Parlamente bei ihren Beratungen europäische Parlamentarier dazubäut. Auf diese Weise würden sie gegenseitig ihre Probleme und die Folgen ihrer jeweiligen nationalen Entscheidungen für ihre Nachbarn verstehen lernen.

Die nationalen Parlamente würden auch erheblich früher die gemeinsamen Rahmenbedingungen diskutieren können, innerhalb deren sie dann die nationalen Haushalte beschließen müssen. Ziel wäre die Verschränkung beider Ebenen, nicht die Rivalität zwischen ihnen oder die Schaffung neuer Institutionen. Das EU-Parlament müsste auch kontrollierend Stellung nehmen können zu den Entscheidungen von Ministerrat und Europäischem Rat und dabei zumindest ein suspensives Veto einlegen können. Martin Schulz hat kürzlich für ein ähnliches Verfahren plädiert.

Eine solche Parlamentarisierung der gemeinsamen europäischen Politik, die in einer Verschränkung von nationalen Parlamenten und dem europäischen geschähe und die Politikerinnen und Politiker miteinander ins Gespräch brächte, anstatt dass die Exekutiven separate Einzelverhandlungen über ihre Haushalte mit der supranationalen Europäischen Kommission führen müssen, könnte in eine politische Union münden, die der Vielfalt, der dazu notwendigen Flexibilität nationaler Haushaltspolitiken und der partnerschaftlichen Abstimmung gerecht würde.

Sie würde zudem die Dominanz der starken Staaten - namentlich Deutschlands - vermeiden, die der Gründungsidee der EU nicht nur entgegensteht, sondern die Glaubwürdigkeit der Union schon jetzt zu unterminieren droht. Es ist fatal und nicht nur auf die Fehlwahrnehmung der sogenannten Südländer zurückzuführen, wenn Deutschland abermals so erscheint, dass es fast allen anderen seinen Willen aufzwingt. Um unserer gemeinsamen europäischen Zukunft willen müssen wir zwischen einer exekutiv-technokratischen und einer parlamentarisch-demokratischen politischen Union in Europa unterscheiden und entschieden die demokratische wählen!

Gesine Schwan ist Politikwissenschaftlerin und Präsidentin der Humboldt-Viadrina School of Governance.

BCE : la France doit baisser ses dépenses publiques

Par [Alexandrine Bouilhet](#), [Jean-Pierre Robin](#), [Cyrille Lachèvre](#) Mis à jour le 18/12/2012



Peter Praet. Crédits photo : Jean-Christophe MARMARA/JC MARMARA/LE FIGARO

INTERVIEW - Membre du directoire de la BCE, Peter Praet est aussi chef économiste de la banque à Francfort. Il résume les défis de l'année 2013 pour la zone euro et appelle la France à accélérer ses réformes.

LE FIGARO. - La zone euro est-elle définitivement sortie de l'ornière?

Peter PRAET. - 2012 a été une année difficile qui se termine bien. On a réussi à stopper un cercle vicieux infernal, où les difficultés budgétaires des États fragilisaient de plus en plus les banques, mettant en péril le financement des entreprises. **La déclaration de Mario Draghi du 26 juillet, promettant de tout faire pour rendre l'euro irréversible**, ainsi que **les réformes institutionnelles annoncées par les chefs d'État (?)** ont réussi à rétablir la confiance. Les risques de catastrophes et de sortie de certains pays qui hantaient les marchés ont disparu. Il faut continuer sur cette voie en 2013.

Quels sont les défis pour 2013?

L'inquiétude pour l'année qui vient est à la fois politique et sociale. Nous n'ignorons pas que le chômage a augmenté de 2 millions dans les pays de la **zone euro**. Il faut que les ajustements budgétaires se poursuivent dans chaque pays, qu'il n'y ait pas de marche en arrière et que l'objectif de ramener les déficits publics à 3% du PIB demeure d'actualité. **Sur le plan du regain de compétitivité aussi les États doivent poursuivre leurs efforts.**

Craignez-vous une récession en Allemagne en début d'année?

Malgré un ralentissement important, les fondamentaux restent bons en **Allemagne**. L'Allemagne dispose d'un marché intérieur dynamique. La position financière des entreprises est solide, grâce à leurs performances à l'exportation. **Contrairement à la France, l'Allemagne a bénéficié à plein du «boom» des pays émergents ces dernières années. Elle est à de quoi amortir une baisse des exportations.**

La situation de la France vous inquiète davantage?

La situation française présente plus de défis que la situation allemande. En France, l'ajustement budgétaire met trop l'accent sur les hausses d'impôts pas assez sur les baisses de dépenses. C'est plus facile dans l'immédiat d'augmenter les impôts, que de baisser les dépenses publiques, mais à long terme, la baisse et la composition des dépenses sont plus importantes. **Il est important que la France mette en œuvre le plan de réduction des dépenses publiques de 60 milliards d'euros sur lequel elle s'est engagée. La mise en œuvre de telles mesures sera déterminante.**

Pourquoi la France n'est-elle pas crédible?

Je ne serais pas aussi sévère! Il me semble qu'il y a en France un consensus sur la nécessité d'améliorer la situation des finances publiques et la compétitivité. Pour cela, il faut engager des réformes structurelles. **La France a trop souvent offert une certaine résistance aux changements...** Mais ces réformes sont indispensables à la restauration de la compétitivité française! C'est le problème numéro un de la France. Le [rapport Gallois](#) a fait un constat lucide de la situation avec de bonnes propositions. Par ailleurs, la compétitivité n'est pas seulement liée au prix, mais aux produits, à leur qualité. Et **les performances à l'export de la France dépendent d'un petit nombre d'entreprises contrairement à l'Allemagne et à l'Italie où le tissu industriel exportateur est plus large.** Les réformes ne sont donc pas seulement liées au marché du travail, mais également à l'innovation, la recherche et le développement, et la formation professionnelle.

Le pacte pour la compétitivité du gouvernement Ayrault va-t-il dans le bon sens?

Le crédit d'impôt est une bonne idée. Un bon début. Mais le problème c'est qu'il est financé par une hausse d'autres impôts ce qui réduit l'impact de ces mesures. Il faut faire des choix à moyen terme, en matière de baisse des dépenses. **Le niveau de la dépense publique est trop élevé en France.**

Les marchés restent très cléments avec la France. Comment inciter le gouvernement à faire les réformes structurelles, alors qu'elle emprunte à des taux négatifs à court terme?

Si la France se réforme sans avoir la pression des marchés, c'est bien mieux! Car lorsque les marchés attaquent, il devient beaucoup plus coûteux de regagner leur confiance. S'il faut attendre la pression des marchés pour agir, cela pose problème sur la démocratie. Il faut essayer d'obtenir un consensus social avant cela.

Compte tenu des perspectives de croissance très faibles en 2013, ne serait-il pas judicieux de se donner une année supplémentaire pour respecter la règle des 3% de déficits, comme le préconise le FMI notamment?

Certes nos prévisions de croissance 2013 sont faibles, la fourchette se situant entre un recul de 0,8% et une progression de 0,2%. Ces chiffres ne s'assimilent pourtant pas à un scénario catastrophe. Il faut empêcher bien sûr un phénomène de spirale négative, où le recul de la croissance rendrait impossible toute amélioration des comptes publics. Plusieurs programmes d'ajustement en accord avec le [FMI](#) ont bénéficié d'assouplissements. L'essentiel est que chaque pays mène une stratégie crédible, avec des réformes structurelles solides qui lui permettent d'améliorer la soutenabilité de son budget et le dynamisme de son économie.

L'Espagne peut-elle éviter un plan de sauvetage de la BCE?

Il ne s'agirait pas d'un plan de sauvetage de la [BCE](#) mais de la mise en œuvre d'un programme d'interventions monétaires conditionné à la mise en œuvre d'un programme FMI/[MES](#) (mécanisme européen de stabilité). En tout état de cause, la demande d'un programme est une décision qui revient à l'[Espagne](#). Il est préférable de le solliciter, le cas échéant, hors des périodes de tensions de marchés.

L'Italie sans Monti, cela vous inquiète?

Les élections arrivent plus tôt que prévu. Ce n'est pas nécessairement plus mal, car cela réduit la période d'incertitude. Ces élections représentent un test très important. L'[Italie](#) a engagé des réformes majeures. Maintenant il faut l'engagement de la population. Il y a encore beaucoup de réformes à mener en Italie pour améliorer le marché du travail et des produits.

En quoi le projet d'union bancaire va-t-il changer la donne en zone euro?

Il contribuera à restaurer la confiance dans le secteur bancaire à travers la zone euro. Il aidera à réactiver les prêts interbancaires et les flux financiers transfrontaliers, avec d'importants impacts sur l'économie réelle. La supervision en combinaison avec une possible recapitalisation des banques par le MES avec un mécanisme unique de résolution nous aidera à casser le cercle vicieux entre souverain et banques. Je vais reprendre justement l'exemple de l'Espagne. Entre décembre 2011 et août 2012 ce pays a subi des fuites de capitaux

gigantesques de 300 milliards d'euros, soit 30% du PIB, alors que 100 milliards d'euros étaient déjà partis l'année précédente.

La défiance était telle qu'au sein d'une même banque espagnole, les dirigeants s'arrangeaient pour placer les liquidités dans les filiales à l'étranger, sans compter les dépôts des particuliers qui émigraient également! Fort heureusement on constate que depuis l'été dernier 40 à 50 milliards d'euros sont revenus en Espagne, et pour deux raisons. D'une part, les pays du Sud, comme le [Portugal](#), et l'Italie, et aussi l'[Irlande](#), sont sur le point de rééquilibrer leur balance des paiements extérieurs, ce qui montre que les programmes d'assainissement budgétaire et d'amélioration de la compétitivité des «pays de la périphérie» obtiennent des résultats. Et d'autre part la perspective d'une [union bancaire](#) est de nature à rassurer: à l'avenir la santé des établissements ne dépendra plus de l'état des finances publiques de leur pays d'origine.

La BCE est-elle prête pour assumer le rôle de supervision bancaire qui va lui être confié?

L'accord politique sera conclu d'ici à la fin mars 2013 et nous aurons un an pour mettre en place le dispositif, qui sera très décentralisé dans la pratique, même si la BCE doit avoir un rôle de supervision de toutes les banques de la zone euro. À Francfort, nous devrions rassembler très vite la masse critique nécessaire. Il s'agit d'être en mesure de pouvoir traiter toute l'information disponible qui remontera des superviseurs nationaux.

Les eurobonds sont-ils une solution à la crise?

C'est un projet intéressant, tout comme l'agence européenne de la dette, ou le Trésor européen. Du point de vue d'une banque centrale, tout ce qui réduit la fragmentation de la politique monétaire est une bonne chose. Mais il ne faut pas brûler les étapes. **Pour mutualiser les dettes, il faut un accord politique au plus haut niveau sur le contrôle des budgets nationaux. Or, ceux qui veulent mutualiser les dettes ne veulent pas davantage de contrôle réciproque sur les budgets et réciproquement.** Il nous faut un consensus très fort sur ce point. Et nous n'y sommes pas encore!

Les créanciers publics de la Grèce, dont la BCE fait partie, vont-ils devoir effacer la dette grecque?

Pour la dette grecque, les créanciers publics ont déjà consenti un énorme effort, de l'ordre de 40 milliards d'euros en baissant les taux d'intérêt de leurs prêts et en allongeant la durée des remboursements. Il s'agit donc d'une restructuration par le secteur public. Si lorsque la Grèce dégagera un excédent primaire (plus de déficit hormis sa charge de dette), dues à des causes extérieures, des mesures additionnelles sont souhaitables, les gouvernements pourront voir ce qu'ils peuvent faire.

12/18/2012 04:39 PM

Baby Blues

German Efforts to Improve Birthrate a Failure

Germany pumps billions of euros into efforts to increase the number of babies born in the country each year. A new report, however, says this has done little to ease the difficulty many Germans have in reconciling career and family. Plus, many no longer consider children a central part of life.

Each year, the German government spends billions of euros in an effort to stop the country's ticking demographic time bomb. By 2050, it is estimated that only 70 million people will be living in the country, down from today's roughly 82 million. Without a major change in the birthrate or a mass influx of up to 24 million new immigrants, the population could soon begin shrinking, according to United Nations forecasts.

To make having children more attractive, in recent years Berlin has increased monthly government subsidies paid to families with children, benefits for parents who stay home to care for newborns, work leave payments for new fathers and an expansion of national day care services. Despite these efforts, however, the German birthrate has remained at a constant average of 1.4 children per woman for around 40 years.

On Monday, the German Federal Institute for Population Research issued a report looking into the reasons behind the failure to increase the country's birthrate. The results are sobering. For many Germans, establishing a family has taken a backseat to a career, hobbies and friends. The report concludes that "children no longer represent a central aspect of life for all Germans."

The reasons for this development are myriad. For one, societal views on parenting have changed considerably. Fifty years ago, a person in Germany was first considered to be a grown up after they had established a career, gotten married and had children. But today society doesn't provide the same level of recognition for having children. Statistics show that few believe their position in society will be improved by having offspring. Many people even fear that having more than two or three children could actually put them at a real disadvantage.

Career and Family Compete

The study found that many Germans believe reconciling career and family is problematic. Particularly among mothers, concerns about finding the balance between time spent with children and at the workplace are considerable. Those who find this balancing act too challenging are ultimately forced to decide between child and career. In addition, many women, particularly in the western German states, still ascribe to outmoded societal norms. The idea still persists that women are somehow neglecting their children if they hand them over to day care within their first three years of life. There's even a disparaging term in German to describe these women: "*Rabenmütter*," or "raven mothers," who push their children out of the nest too soon. Particularly among the more highly qualified, many simply decide not to have children.

Somewhat surprisingly, the report also shows that men in Germany today are not considered to be adequate replacements for mothers when it comes to being the primary caregiver for young children. As a society, Germany has considerably less faith in its men than neighboring countries that include Belgium and France. In both of those countries, there is much greater acceptance for working mothers than in Germany.

The degree of these difficulties is also reflected in overall attitudes about raising children. According to the study, children are no longer viewed as an obvious source of satisfaction and happiness. Only 45 percent of childless Germans between the ages of 18 and 50 believe that they would have happier lives or that they would have greater satisfaction if they were to have children in the coming three years.

The study marks the first time that the Federal Institute for Population Research, a division of the Interior Ministry, has compared German views on having children with those elsewhere in Europe. Only 10 countries in Europe have lower birthrates than Germany, the report states. In Germany, the average rate is 1.39. Latvia, with 1.17, has the lowest birthrate in Europe, while Iceland leads the list with an average of 2.2 children.

Although some European countries have seen growth again in their birthrates in recent years, that trend hasn't crossed over into Germany. Indeed, in a global comparison, Germany has the highest percentage of women who do not have children over the long term. Around one-fourth of women born between 1964 and 1968 have deliberately chosen not to have children, the report found.

Indeed, the desire to have children doesn't appear to be as widespread as it is in other European countries. There are only six other countries in Europe where the majority of those polled say they wanted no children or fewer than two children.

Policies Encourage Mothers to Stay Home

A study released on Monday by the Organization for Economic Cooperation and Development (OECD) offered Germany a similarly poor report card on gender equality. Despite the fact that young German women are better educated than their male counterparts, their prospects for success on the labor market aren't as good, it found. The study also criticized numerous aspects of Germany's family policies, which it said contributed to a serious gender gap.

The report warned that the controversial new [Betreuungsgeld](#), or care allowance for staying home with children aged 13 to 26 months, encourages mothers with young children not to work, and thus exacerbates persisting gender inequalities in the country. The organization also criticized the system of joint income tax filing for married couples in Germany, called *Ehegatten-Splitting*, for being the only taxation system in the OECD "which does not provide both parents in couple families with broadly similar financial incentives to work when children are of school age." The organization added that Germany needs to boost efforts to provide quality affordable child care.

The report found that 27 percent of women in Germany between the ages of 25 and 34 have completed their tertiary education at a university or other institution. Only 25 percent of men in the same age range had accomplished the same level of education. And although more women in many countries work today than they did 20 years ago, in Germany, Austria and Switzerland a disproportionate number are working part-time. "That has a negative impact on their income and on their career," the report found. It also showed that at median earnings, the gender pay gap is on average 22 percent, the third-highest rate in the OECD. For the self-employed, that figure is a staggering 63 percent less.

All this, of course, has implications for women when they retire. According to the OECD report, the average pension payment to women is about half of what is paid to men in Germany, making the "pension gap" the largest among the countries that are members of the organization. The report blamed "shorter work histories, fewer working hours and lower earning" for the disparity.

dsl -- with wires

December 18, 2012, 6:46 am [2 Comments](#)

Hands Off Germany's Neo-Nazi Party

By [LUCIAN KIM](#)



Bernd Wuestneck/European

Pressphoto Agency Members of Germany's National Democratic Party demonstrated in Rostock on December 5.

BERLIN — Last Friday appeared to be a good day for German democracy. The Bundesrat, or upper house of Parliament, [voted to ban](#) the extreme-right National Democratic Party for trying to undermine the country's constitutional order with its "[anti-Semitic, racist and xenophobic stance](#)." The party, known by its German initials N.P.D., regrets the Nazis' defeat in World War II, wants to take Germany out of NATO and agitates to send immigrants "home."

Yet the Bundesrat, controlled by the opposition, is fighting the wrong fight. The chances are slim that the Constitutional Court will back the ban and rule that the N.P.D. threatens Germany's democracy. Only two parties — West Germany's Communist Party and the immediate successor to the Nazi Party — have ever been banned, both more than 50 years ago.

And if the N.P.D. survives, it could emerge stronger than before.

Founded in 1964, the N.P.D. was a fringe party in West Germany. After German reunification in 1990, it experienced a brief revival in the former East Germany among the young, disgruntled and unemployed. Today, it has about 6,000 members and holds seats in just two state assemblies. The N.P.D. represents about 1 percent of the electorate nationwide and has no hope of getting into Parliament.

Mainstream politicians already tried to ban the party for undermining the German Constitution a decade ago. The case fell apart before the Constitutional Court after it became clear that government informants had infiltrated the N.P.D.'s leadership, making it impossible to distinguish the party's true intentions from the state's efforts to forbid it. Renewed pressure for a ban followed the discovery last year of [a murderous neo-Nazi terrorist cell](#) with [connections to N.P.D. members](#).

As Justice Minister Sabine Leutheusser-Schnarrenberger pointed out in [a recent newspaper interview](#), it's not enough to prove that the N.P.D. criticizes Germany's constitutional order. In order to be banned, the party would have to be actively and aggressively fighting it.

It's ridiculous to argue that a party as tiny and unpopular as the N.P.D. could somehow threaten Germany's robust democracy. The fact that nobody can predict how the Constitutional Court will rule is the best indication of the independence and integrity of democratic institutions here.

Even if the court rules in favor of the Bundesrat, the N.P.D. could appeal to the European Court of Human Rights to argue that a ban violates Germans' freedom to assembly — only raising its profile in the process.

In the unlikely event of a ban, there would be little practical benefit. N.P.D. members could join other far-right groups, such as [the new anti-immigrant party called Die Rechte](#), or "The Right." Others might go underground.

With a national election approaching next fall, the effort to stub out the N.P.D. reeks of politics. Chancellor Angela Merkel may have little choice but to throw her government's support behind the cause. After all, [two-thirds of Germans](#) are for a ban.

Far-right parties are a scourge of many European democracies. But trying to prohibit them does nothing to uproot chauvinism or stop racist violence. It only creates the illusion that politicians are taking action.

<http://movies.nytimes.com/2012/12/19/movies/michael-haneke-amour-with-jean-louis-trintignant.html?ref=global-home&r=0>

Movie Review

Étude on Aging, Its Graces, Its Indignities

Michael Haneke's 'Amour,' With Jean-Louis Trintignant

[NYT Critics' Pick](#)



Michael Haneke/Sony Pictures Classics

Emmanuelle Riva and Jean-Louis Trintignant in "Amour."

By [MANOHLA DARGIS](#)

Published: December 18, 2012

A masterpiece about life, death and everything in between, [Michael Haneke](#)'s "Amour" takes a long, hard, tender look at an elderly French couple, Georges and Anne — played by two titans of French cinema, Jean-Louis Trintignant and Emmanuelle Riva — in their final days. Set in contemporary Paris, it begins with the couple's front door being breached by a group of firemen. One moves through the rooms, delicately raising a hand to his nose before throwing open several large windows. He may be trying to erase the smell that probably brought the firemen there in the first place and which has transformed this light, graceful, enviable apartment into a crypt.

[Michael Haneke Directs 'Amour'](#)

By [LARRY ROHTER](#)

Michael Haneke's new film, "Amour," winner of the Palme d'Or at Cannes, stars Jean-Louis Trintignant and Emmanuelle Riva as a loving aging couple facing infirmity.

Did I mention this is a love story? It is, as well as a mystery of a type that, like some classic films noir and detective stories, reveals its secrets by rewinding to a past moment and then moving forward in time to return to the present. It opens with Georges and Anne, former music teachers, watching a concert by one of her prized students, the noted young pianist Alexandre Tharaud (as [himself](#)). Afterward they greet him backstage — Mr.

Tharaud slices through a swarm of admirers to kiss her — and return home, an interlude set to his performance of [Schubert](#)'s Impromptu (Op. 90, No. 1), a type of music that's called a character piece and is meant to convey a mood or idea.

The music helps set an air of soothing, restrained elegance as does Mr. Haneke's meticulous compositions, his impeccable, steady framing and harmoniously arranged people and objects. Everything seems just so, just right, creating a sense of order that carries through until the couple reach their apartment and discover that the lock on their front door is broken. Someone apparently has tried to break in, a would-be intrusion that sends a shudder through the movie and down your spine. That's because it echoes the first image of the firemen bursting into the apartment and because you never know what shocks, what brutality, Mr. Haneke — whose films include ["The White Ribbon"](#) and ["Caché"](#) as well as the Austrian version of "Funny Games" and its American redo — will let loose.

There is a jolt of violence in "Amour," never fear (or do!). Nothing, though, seems amiss the next morning while Georges and Anne eat breakfast in a corner of their kitchen, talking amid the clatter of dishes and cutlery. He notices that the salt shaker is empty and rises to refill it, and he continues to chatter unaware that Anne has frozen in her chair, as if turned to stone. Perplexed, he waves a hand in front of her seemingly unseeing eyes. After a few beats, he dresses, presumably to get a doctor, but, as abruptly, Anne seems to return to normal. She scolds him gently — she doesn't remember what just happened — and then she pours the tea and misses her cup.

By the time you next see them together, Anne in a wheelchair. She has had an operation for a carotid artery obstruction and while the procedure has a high success rate, she has drawn a fatal short straw. "It's all terribly exciting," a visibly unexcited, deadpan Georges explains to their daughter, Eva (a fantastic [Isabelle Huppert](#)). Wildly self-centered, Eva asks about the operation only after she natters on about her work (she's a musician), her husband and children. She may be embarrassed or unsettled by her mother's illness, but when Eva asks what she can do, her words sound hollow. "We've always coped, your mother and I," Georges says, maybe to reassure himself as much as a daughter who can feel like a stranger.

A grace note of the movie is that the distance between Eva and her parents, an alienation that adds an edge into her voice when she talks to Georges and he to her, is never explained. Mr. Haneke doesn't put his characters on the couch, offering up personalities that can be easily scanned and compartmentalized. As a consequence, his characters can be difficult to get a handle on, opaque, which might be frustrating if there wasn't so much meaning packed into their everyday conversations and gestures, including what they leave unsaid. Early on, for instance, Anne teases Georges — at least she seems to be teasing — by calling him a monster. She doesn't explain herself and neither does Mr. Haneke, which allows her meaning to reverberate, to grow steadily louder until it booms.

After Anne returns home, she gradually goes from bad to worse. Georges tries to care for her by himself, but, in time, is forced to hire nurses. The inevitable is, well, inevitable. But in this movie it is also consistently surprising because of the clarity of Mr. Haneke's vision. There is a great deal that is difficult to watch here, the indignities of a debilitating illness included, and the equally harsh pain of witnessing a great love, a longtime companion, slowly fade away. The moving, subtly brilliant performances of Ms. Riva (best known for "Hiroshima Mon Amour") and Mr. Trintignant ("A Man and a Woman") are a particular gift in this respect. The two are, after all, at once forever young, immortalized in their films, and as familiar to us as our grandparents.

The representation of pain can be rightly difficult to watch, yet all too often also meaningless. But "Amour," despite its agonizing subject, holds you willingly throughout. A key to understanding why comes at the beginning, when you see Georges and Anne at the concert, tucked in the audience that's facing forward as if it were looking at the camera or, disconcertingly, us. It's hard to see them, but they're there, somewhat center and to the left, waiting and then clapping. It's curious, this impression that the characters you're watching are in turn watching and even applauding you. The moment can be characterized as an instance of Brechtian estrangement, which is meant to break the effects of illusion and awaken an attitude of criticism in the audience. More simply, the theater audience directly mirrors the movie audience, eroding the nominal distance between them.

This erosion of distance actually strengthens the film's emotional power. Viewers acquainted with Mr. Haneke's work may find "Amour" too cold, cruel even, and its depiction of suffering a punishing, familiar gesture from a director who's long been interested in transforming spectators from simple consumers into critical thinkers. There are certainly arguments to be made about whether movie-watching is ever simple or noncritical. Yet there's another point to be made here, namely that all the violence in "Amour" is crucial to Mr. Haneke's rigorous, liberatingly unsentimental worldview, one that gazes on death with the same benevolent equanimity as life. All of which is to say: bring hankies. This is a film that will make you weep not only because life ends but also because it blooms.

"Amour" is rated PG-13 (Parents strongly cautioned). Illness, suffering, death.

Amour

Opens on Wednesday in Manhattan.

Written and directed by Michael Haneke; director of photography, Darius Khondji; edited by Monika Willi and Nadine Muse; production design by Jean-Vincent Puzos; costumes by Catherine Leterrier; produced by Margaret Menegoz, Stefan Arndt, Veit Heiduschka and Michael Katz; released by Sony Pictures Classics. In French, with English subtitles. Running time: 2 hours 7 minutes.

WITH: Jean-Louis Trintignant (Georges), Emmanuelle Riva (Anne), Isabelle Huppert (Eva), Alexandre Tharaud (Alexandre), William Shimell (Geoff), Ramón Agirre (Concierge's Husband) and Rita Blanco (Concierge)

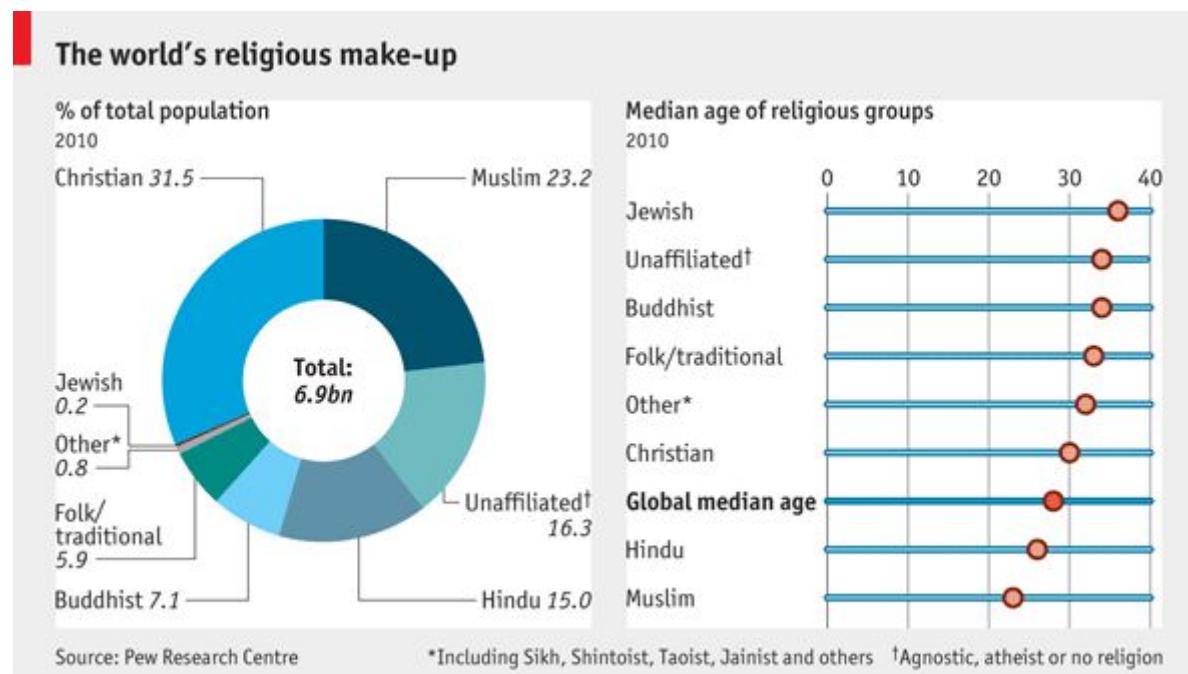
Daily chart

Faiths and the faithless

Dec 18th 2012, 14:45 by Economist.com

The world's religious make-up

RELIABLE data on the age and whereabouts of the religious and irreligious are hard to come by, which makes a new [report](#) on the topic from the Pew Research Centre welcome. Among its many findings is that Jews and Buddhists make the biggest religious minorities, in the sense of living in a country where another religion is dominant. Asia has by far the largest number of people who claim not to believe in any religion, something that is explained by China's official godlessness. Despite this, though, China has the world's seventh-largest Christian population, estimated at 68m. The report also contains data on people who call themselves religious but do not adhere to any of the Abrahamic religions, Hinduism or Buddhism. Here again Asia is dominant, largely thanks to the popularity of Shintoism in Japan.



European Union

Is Europe standing on its head?

18 December 2012

[Dagens Nyheter](#) Stockholm



[Kazanevski](#)

Born to give a political dimension to the common values of Europeans, the Union, with the complicity of the member States, has acquired power and skills that have weakened the people it was supposed to defend, argues the Irish writer Colm Tóibín.

[Colm Tóibín](#)

The European Union seems like a strange dream we had; it was a way of shaping and crafting a set of political values into a complex system which would place human values, a rich culture and ideas of equality at the very centre of our concerns. It turns out that as a system the European Union could withstand anything except a crisis.

Now, under the stress of a financial crisis, every country is sure of one thing only – that its own borders and its own interests matter more than any common good. While the old currencies may have gone, or most of them have, [the old ways of thinking remain](#).

In our loyalties, once the pressure is on, we live in nation states, even though our banks function under a new global dispensation. Money moves now in the same way as air does, utterly free, being blown back and forth by the wind, unregulated, unstable, uncertain. It is ideas which have remained under lock and key. And with ideas, identities. We are sure now who is German and who is Greek; we are sure that we are Irish and you are Swedish.

Remember the dream

It is important to remember [what the dream meant](#). It is important now at the periphery of Europe where I live to begin again to use the language of political and cultural idealism, to take the language which has been debased by our political masters and see if certain (or uncertain) words or concepts might mean something, even if only to offer us the comfort than poetry does, language used sonorously and responsibility, in a time of private hardship.

One aspect of our European heritage is [a way of laughing](#). In our daily lives, our folk tales and our literature, mockery and self-deprecation are at the very core of the European sensibility. We have a right to laugh at the Emperor as he passes in all his pomp. He has no clothes. We have been laughing at our leaders all our lives. The general knows that the corporal, once he gets home, or has some drinks, will lose all respect for the general's medals and uniform.

In Shakespeare, the Fool or the gravedigger will talk more sense than the king or the prince. In Cervantes, Don Quixote is a hero only because he is so obviously such a fool. And in Europe, if we feel like it, we laugh at God and think what a fool he must be. This is what makes us different from citizens of the United States, or China, or the Middle East.

Humanist culture

In Europe there is an idea of a humanist culture which is common to us all, something which comes from a freedom to write and read whatever we please, and think fresh thoughts and create fresh images. There were times when the European Union seemed to embody this, seemed to be a secularising influence on Europe, placing humanist ideas and tolerance and equality of opportunity and the possibility of progress at its very centre.

Europe came to mean progress, especially in countries such as Greece, Portugal, Spain and Ireland, which had bad roads and backward politics. [It came to mean peace](#) in the countries which had known war. We improved our infrastructure courtesy of Europe, and slowly our political culture changed too. But there were times when Europe came to mean money and power. We noticed, for example, that when Irish politicians or civil servants or judges went to work in Europe, their salaries seemed very high.

What also came was the secrecy that [those who love power enjoy](#). The European Union based itself on a diplomatic system rather than, say, a parliamentary system. Thus what happened behind closed doors, and appeared in secret memos, affected our lives more than what happened in our own parliaments. When the members of the Council of Ministers met they issued bland statements and stood for a photograph. No one knew what they had really decided, or how. The European Parliament remains a large and expensive alibi for transparency.

Making an enemy of the people

The European Union seemed ready to take more and more power for itself. It appeared also to have no interest in reforming itself, or examining its own procedures. In using the systems which diplomats use, it created a strange enemy called [the people](#). Thus there were two power blocs – the citizens of Europe who had less and less power, and the rulers of Europe who had more each year. The rulers often fooled the people; the rulers seemed to know what was best for the people.

Some of the changes they made were marvellous, however. We could cross borders in Europe without having our passports stamped, or, if driving, without having any controls at all. We could move goods, for the most part, without paying duty.

We could live and work where we liked within Europe. I loved how western Europe embraced the countries of the east after 1989. I loved the idea that Europe would become a place of cities rather than states, because our cities, and the ideas and images that spread in them, were our great European creation.

I loved the idea that the concept of nationhood and nationalism would belong to a 19th Century dream and a 20th Century nightmare, ended now. I even loved the euro when it came and was proud that Ireland had joined it from the beginning. I loved the new edicts coming from Europe on the environment; I loved the deregulation of air travel. I even believed that a time would come when Europe would mean something in the world, when our concept of human rights would stand powerful like the euro and make a difference to what happened in China or the Middle East.

Irish heyday

In Ireland during the boom years we had full employment. We did not have to emigrate as we usually do. We worked very hard. In a downturn, we would normally be able to devalue our currency, or allow for inflation. We cannot do this now. Just as the euro suits Germany and other rich countries and makes their exports competitive, it does not suit us. But we are locked into it.

In the meantime, Germany and other rich European countries speak as the source of all wisdom in Europe and, perhaps more important, the source of all authority.

Under pressure, the idea of a European Union has failed. There are only nation-states now looking after their own interests. We have woken from the great dream. It is daytime in Europe. All we have to comfort us are our ability to laugh at our foolishness and theirs; all we have is the memory of what was once possible. And then the paintings, the books, the songs and symphonies, the great galleries and museums and libraries and public buildings which make up our culture.

We can wander alone at night in the city streets in Lisbon and Riga, Athens and Dublin, Constanza and Stockholm, and know that the impulse towards social solidarity and political idealism may come again, perhaps more intensely now that we know how fragile it is. But not for a while.

Erziehung

Kinderkrippe – ja oder nein?

18.12.2012 · Schadet Fremdbetreuung kleinen Kindern, oder nützt sie? Es kommt auf die Qualität an, sagen Forscher. Die Mehrheit der Krippen erhält nur mäßige Noten.

Von [Uta Rasche](#)



© dpa Kinder in der Tagesstätte „Löwenzahn“ in Schwerin

Chancen und Risiken der frühen Fremdbetreuung werden leidenschaftlich diskutiert. Die Frage, ob kleine Kinder besser nur zu Hause betreut werden sollten oder genauso gut zusätzlich eine Krippe besuchen können, hat in einem Land, dessen einziger „Rohstoff“ die Bildung seiner Menschen ist, nicht nur private Bedeutung.

Die pädagogische Forschung über Vor- und Nachteile der Krippenbetreuung in Deutschland steht aber erst am Anfang. Im Wesentlichen werden dazu bisher die Ergebnisse internationaler Studien herangezogen, etwa die Untersuchung des amerikanischen National Institute of Child Health and Human Development (NICHD). Sie begleitet seit 1991 Kinder von der Geburt bis zum Ende der sechsten Schulklasse. Dabei zeigte sich, dass noch bei Zwölfjährigen eine qualitativ hochwertige Fremdbetreuung in Bezug stand zu einem besseren Gedächtnis und zu besseren Schulleistungen in Lesen und Mathematik. Bei unterdurchschnittlicher Betreuungsqualität waren Zusammenhänge mit geringeren sozialen Fertigkeiten und einer schlechteren Arbeitshaltung zu finden. Eine sehr viele Stunden umfassende frühe außerhäusige Betreuung korrelierte im Teenageralter auch mit vermehrten Konflikten mit Lehrern, Gleichaltrigen und den Eltern.

Die Mutter-Kind-Beziehung leidet nicht

Bei jüngeren Kindern zeigte sich, dass selbst eine längere Betreuungsdauer in guten Einrichtungen sich nicht negativ auf die Bindung zur Mutter auswirkte, wenn die Mutter empfindsam und sensibel auf die Bedürfnisse des Kindes reagierte. Kinder waren weniger sicher gebunden, wenn diese mütterlichen Eigenschaften schwach ausgeprägt waren und das jeweilige Kind zusätzlich in einer qualitativ schlechten Fremdbetreuung war - oder es sogar mehrere verschiedene Betreuungs-Arrangements gab. Entscheidend für die Mutter-Kind-Bindung ist demnach vor allem die Aufmerksamkeit, die die Mutter ihrem Kind entgegenbringt.

Hans-Günther Roßbach, Professor für Elementar- und Familienpädagogik an der Otto-Friedrich-Universität Bamberg, leitet aus dieser und anderen Studien die Empfehlung ab, Kinder unter einem Jahr nicht ganztägig außerhalb des Elternhauses zu betreuen. „Das ist mit zu hohen Risiken für die sozial-emotionale Entwicklung des Kindes verbunden“, sagt er. „Dafür besteht aber in Deutschland, anders als in den Vereinigten Staaten, durch das Elterngeld auch kaum Bedarf.“ Das Deutsche Jugendinstitut in München hatte in seiner AIDA-Studie

(„Aufwachsen in Deutschland: Alltagswelten“) herausgefunden, dass Eltern fast ausschließlich Kinder betreut wissen wollen, die älter sind als ein Jahr, und zumeist auch keine ganztägige Unterbringung wünschen.

Das Erziehverhalten ist entscheidend

Für Kleinkinder nach dem ersten Geburtstag ist die Qualität der Krippe entscheidend - sowohl bezogen auf die Förderung ihrer kognitiven Fähigkeiten als auch auf ihr Sozialverhalten. Was aber macht eine gute Krippe aus? „In erster Linie ist es das einfühlsame Verhalten der Erzieherinnen“, sagt Roßbach. Darüber ist eine Umgebung vonnöten, die „Sicherheit und Vorhersagbarkeit“ vermittelt und in der „körperliche und seelische Bedürfnisse erwartbar erfüllt werden“. Für Kleinkinder brauche man keine speziellen Förderprogramme, sondern Zuwendung und Anregung im Alltag - „zum Beispiel beim Windelnwechseln, beim Essen und Spielen“.

Gerade für die Förderung der sprachlichen Fähigkeiten ist das Erziehverhalten von großer Bedeutung: Die eigenen Aktivitäten wie die des Kindes ausdauernd mit Worten zu begleiten (und zwar in der Hochsprache, nicht in reduzierter Sprache) ist dafür entscheidend. „Gerade dieses Verhalten von Erzieherinnen finden wir aber zu selten“, sagt Roßbach.

Mäßige Noten für viele deutsche Krippen

Das Defizit in der empirischen Bildungsforschung im Bereich der Frühpädagogik sollte die „Nationale Untersuchung zu Bildung, Betreuung und Erziehung in der frühen Kindheit“ (Nubbek) schließen helfen. Diese unter anderem vom Bundesfamilienministerium geförderte Studie sollte herausfinden, welche Betreuungsformen die kindliche Entwicklung am besten fördern. Die ausführlichen Ergebnisse sind noch unveröffentlicht. Doch der Mehrzahl der 403 untersuchten Kindertagesstätten und 164 Tagesmütter stellt die Studie schon in ihrer Kurzfassung ein mäßiges Zeugnis aus: Mehr als 80 Prozent der Betreuungseinrichtungen weisen nur eine mittlere Qualität auf. Gute pädagogische Arbeit wurde in weniger als zehn Prozent geleistet, schlechte in mehr als zehn Prozent. Die bildungsbezogenen Aktivitäten waren in mehr als der Hälfte der Einrichtungen unzureichend. In Westdeutschland war die Qualität höher als in Ostdeutschland, in altershomogenen Gruppen war sie höher als in altersgemischten Gruppen. Tagesmütter schnitten nicht schlechter ab als Kindergärten. Kinder aus Migrantenfamilien profitierten beim Spracherwerb. Enttäuscht stellten die Forscher jedoch insgesamt fest, dass „die vielfältigen Maßnahmen zur Qualitätsentwicklung und zur Stärkung der Bildungsfunktion von Kitas offenbar kaum Früchte getragen“ haben.



© dpa

In der Krippe haben die Kinder viel Kontakt zu Gleichaltrigen.

Roßbach, der selbst das Nationale Bildungspanel über „Bildungsverläufe in Deutschland“ leitet, empfiehlt, dass bei Kindern unter drei Jahren eine Gruppe nicht mehr als fünf Kinder umfassen sollte: „Nur so bleibt das Sprachangebot günstig.“ In den in Deutschland vorherrschenden altersgemischten Gruppen sollten zu bestimmten Zeiten die gleichaltrigen Kinder gemeinsam gefördert werden. Träger von Kindergärten müssten noch stärker als bisher, etwa durch videounterstütztes Training der Erzieherinnen, die Qualität der pädagogischen Arbeit verbessern. Eltern rät er, sich bei der Frage nach Chancen und Risiken des Krippenbesuchs zu entspannen: „Auch bei einer vielstündigen Betreuung bleibt die Familie immer die wichtigste Sozialisationsinstanz.“ Der Einfluss der Eltern sei in jeder Betreuungskonstellation der stärkste. „Für Unterschiede in der kindlichen Entwicklung sind Unterschiede zwischen den Familien zwei- bis dreimal so bedeutsam wie die Kindertagesstätte.“

Erfahrungsbericht eines Schriftstellers

Wer steckt denn wirklich in der Krise?

18.12.2012 · In der Not Europas sind wir alle gleich - bis auf die Profiteure. Erfahrungen eines Schriftstellers mit dem Zwang, alles dem Primat der Ökonomie unterzuordnen.

Von Eugen Ruge, Jahrgang 1954 Er gewann mit seinem Roman „In Zeiten des abnehmenden Lichts“ 2011 den Deutschen Buchpreis.



© epd „Jene Menschen in Business-Anzügen, die Business-Englisch sprechen und Business-Class fliegen“, sind die Krisengewinnler. Michael Ende fasste solche Zeitdiebe ins Bild seiner „Grauen Herren“

1. 1990, kaum zwei Jahre nach meiner Flucht in den Westen, habe ich ein Theaterstück geschrieben, in dem ich eine Figur, eine Deutsche sagen lasse: „Früher haben die Griechen getanzt. Heute wollen sie so werden wie wir.“

Das Stück heißt „Vom Umtausch ausgeschlossen“, es handelt vom Verlust der Utopie und wurde, glaube ich, 1991 in Bonn uraufgeführt.

2. Ich weiß nicht, ob ich zur europäischen Krise viel Neues beisteuern kann, zumal die Fakten nach meinem Eindruck allzu deutlich sind: Die Deregulierung der Finanzmärkte; die unglaubliche Idee, die wirtschaftliche Einheit ohne die politische Einheit einführen zu wollen; das Problem der Unmöglichkeit der Währungsabwertung für schwächelnden Volkswirtschaften und so weiter. Hat nicht schon die sogenannte Wiedervereinigung gezeigt, was für Folgen künstlich verteuertes Geld zeitigt Buchstäblich am Tag der deutschen Währungsunion hat sich die Industrie der DDR in eine Trümmerlandschaft verwandelt. War man nicht in der Lage, daraus Lehren zu ziehen?



© dapd Eugen Ruge, hier auf der Buchmesse 2011 und bereits mit dem Deutschen Buchpreis ausgezeichnet.

Das alles ist hinreichend bekannt, ohne dass es von den meisten zur Kenntnis genommen wird, ebenso wenig wie dieser verblüffende und im Grunde allzu bekannte Fakt - so bekannt, dass ich mir ersparen kann, die

entsprechende Statistik zu bemühen. Das wirkliche Bemerkenswerte an der sogenannten europäischen Krise ist nämlich, dass die wenigen Reichen in dieser Krise immer reicher geworden sind, während die Ärmern immer ärmer wurden.

Was für eine Krise also? Genauer: Krise für wen?

3. Für mich zum Beispiel. Nach fünfundzwanzig Jahren Schreiben habe ich plötzlich einmal eine größere Menge Geld verdient, jedenfalls nach meinen Maßstäben (nach den Maßstäben derer, die an der Krise verdient haben, ist mein Verdienst lächerlich), und nun droht diese Geldmenge, die meine Altersvorsorge sein könnte, durch Inflation zu verfallen. Die Deregulierung der Finanzmärkte hat sich auf das Börsengeschehen so ausgewirkt, dass ich es nicht riskieren kann, das Geld in Aktien oder anderen Wertpapieren anzulegen. Sooft ich das versucht habe, mit oder ohne Beratung durch meine Bank, war das Geld am Ende weg, wie uns eine verlogene Sprache weismachen will - denn mein Geld war nicht weg, es hatte nur den Besitzer gewechselt. Es war genau im Besitz jener Leute, die an der Krise verdient haben.

Noch vor nicht allzu langer Zeit wäre es leicht gewesen, das Geld in einer Immobilie anzulegen, einer Wohnung zum Beispiel: Berlin, arm, aber charmant. Aber damit ist es auch vorbei. Dank des ungehinderten Kapitaltransfers ist es für Menschen aus aller Welt möglich geworden, Immobilien in Berlin zu kaufen. Alle haben, so wie ich, Angst vor der Inflation. Immer weniger trauen den Aktienmärkten. Amerikaner, Franzosen, Dänen, ja sogar Griechen investieren in Berliner Immobilien. Es gibt in Berlin keine Wohnungen mehr, die Preise steigen. Die Mieten steigen. Mieter werden mit fast kriminellen Mitteln aus Wohnungen gedrängt. Im berühmten Ostberliner Bezirk Prenzlauer Berg, wo ich übrigens, mit Unterbrechungen, seit 1976 wohne, wurden bereits achtzig Prozent der Bevölkerung verdrängt - hier haben wir die Verlierer der Krise.

4. Aber diese Verlierer sind nicht nur die Verlierer der europäischen Krise. Sie sind auch die Verlierer des europäischen Erfolgs. So wie die Profiteure der Krise auch die Profiteure des Erfolgs sind. Und ich bin mir nicht sicher, was ich mehr fürchte: die Krise oder den Erfolg Europas.

Das politische Europa, das wir heute haben, ist eine Konstruktion, die „die Bürger“, wie sie von den Politikern wohlwollend genannte werden, allenfalls hinnehmen, nicht aber geschaffen haben. Es ist, pardon, vor allem ein Europa des Geldes. Marx hat die Arbeiter aller Länder aufgefordert, sich zu vereinen. Vereint hat sich das Kapital, und wenn ich diejenigen ansehe, die es vertreten, jene Menschen in Business-Anzügen, die Business-Englisch sprechen und Business-Class fliegen, dann weiß ich, dass diese Leute unter Europa etwas anderes verstehen als ich, genauer: dass das, was ich an Europa am meisten liebe, für sie keine Bedeutung hat; oder schlimmer noch, dass es sie bloß behindert bei all ihren Vorhaben.

5. Denn das Schönste an Europa ist seine Vielfalt! Es ist einfach wunderbar, dass in 27 Eurostaaten 27 verschiedene Sprachen gesprochen werden, oder sogar mehr! Es ist wunderbar, dass jede Region seine eigene, komplizierte Geschichte hat, seine Lieder, seine Dichter! Dass es verschiedene Klimazonen und verschiedene Landschaften gibt, verschiedene Mentalitäten und verschiedene Geschwindigkeiten, verschiedene Auffassungen darüber, was wichtig, was schön, was lebenswert ist, und ich muss zugeben, dass ich seinerzeit sogar seine verschiedenen Geldscheine schön fand. Ein bisschen unpraktisch, aber schön: die Tausender-Packen der Lire in der Hand zu halten. Man hatte wirklich das Gefühl, im Ausland zu sein.

Unterschiede gibt es noch immer, selbstverständlich. Wenn man Zeit genug hat hinzusehen, dann sieht man sie auch. Aber manchmal, wenn ich - „geschäftlich“, als Vertreter in eigener Sache - in europäischen Großstädten unterwegs bin, passieren mir die merkwürdigsten Déjà-vus. Ich spaziere, meist in den kurzen Pausen zwischen Buchmessebesuchen, Lesungen oder Rundfunkinterviews, durch Altstädte und Fußgängerzonen. Auf den Straßen fahren dieselben Autos wie überall. In den Schaufenstern stehen dieselben Schuhe, die ich mir gerade in Berlin angesehen habe. Die allgegenwärtigen Werbeflächen werben für dieselben Telefone, dieselbe Unterwäsche. Dieselben jungen Frauen fingern nervös auf denselben Smartphones herum. Junge Männer tragen Kopfhörer über Wollmützen. Es gibt überall dieselben Burger, dieselben Pizzabuden. Es gibt Café Latte, es gibt Croissants... Und plötzlich weiß für einen Augenblick nicht mehr: Wo bin ich eigentlich?

6. 27 Sprachen sind einfach unökonomisch. Für den Aufbau von Produktketten braucht man keine Gedichte. Verschiedenen Geschwindigkeiten führen zu Banken Krisen und Wechselkursproblemen. Seien wir ehrlich, das

alte Europa ist unzeitgemäß. Es eignet sich nicht zur unermesslichen Steigerung des Wachstums. Es hat Schwierigkeiten, mit dem zentralisierten China und den kulturell und sprachlich homogenen Vereinigten Staaten zu konkurrieren. Das alte Europa ist dem Untergang geweiht! Und der Weg zur Überwindung dieses umständlichen, alten Europa ist die Europäische Union. Und genau deswegen fürchte ich den Erfolg der EU mehr als ihre Krise.

Ich weiß, ich laufe Gefahr, nicht nur romantisch und rückwärtsgewandt zu erscheinen, sondern auch national. Denn natürlich setzen die letzten Nationalisten genau auf diese Ängste, und es ist äußerst bedauerlich, dass ausgerechnet sie die Nutznießer der europäischen Krise sind.

In Wirklichkeit ist mein Standpunkt natürlich alles andere als nationalistisch. Er ist, im Gegenteil, geprägt vom Respekt und das Interesse für das Andere und das Andersartige, das übrigens keineswegs an die klassischen Nationalstaaten gebunden ist. Denn auch diese waren, wie wir wissen, Konstruktionen. Natürlich geht es nicht um die Wiederherstellung oder Erhaltung dieser Konstruktionen, auch nicht darum, dass jede noch so kleine Region ihren eigenen Staat bekommt. Sondern darum, dass die Gestaltung und Führung Europas nicht vorrangig von Geld und wirtschaftlichen Interessen geprägt wird.

7. Ja, das ist vermutlich Romantik. Unser ganzes Leben ist von Geld und wirtschaftlichen Interessen geprägt. Wir sind einem System unterworfen, das uns geradezu auf materielle Interessen abrichtet. Wir konkurrieren um Arbeitsplätze und haben Angst, dass wir unsere Miete im Alter nicht mehr bezahlen können. Wir streben nach mehr, wir wollen immer erreichbar sein, wir kaufen immer das Neueste. Und das Lustige dabei ist, dass wir uns einbilden, frei zu sein.

Wir glauben wirklich, dass irgendwo in der Provinz Theater geschlossen werden müssen, damit es uns besser geht. Wir glauben, dass ein noch schnellerer Internetzugang uns zufrieden machen wird. Wir glauben, dass ständige Erreichbarkeit eine Verbesserung unserer Lebensqualität bedeutet. Man nennt es Wachstum. Hemmungsloses Wachstum heißt Krebs. Jeder weiß, dass Krebs Leben vernichtet, und das Schlimmste ist, dass die Art Krebs, mit der wir es hier zu tun haben, unser Leben vernichtet - schon vor unserem Tod.

Das ist für mich die europäische Krise. Die Krise unserer Lebensfähigkeit, unserer Aufmerksamkeit, unserer Empathiefähigkeit, unserer Fähigkeit zu genießen, bei uns zu sein, zur Besinnung zu kommen.

Langsamkeit, Mußestunden, Beschränkung aufs Wesentliche, das sind Dinge, die uns das Gefühl geben, zu leben. Die analoge Welt. Der Luxus, offline zu sein. Nicht fünfhundert Freunde zu haben - der Wachstumsgedanke im Freundschaftsformat! -, sondern uns Zeit zu nehmen für den einen!

8. Ein Fazit? Schwierig. Zwar glaube ich nicht, dass Wachstumsgedanke eine anthropologische Konstante ist. Aber im Augenblick hat die abendländische Wachstumskultur eine derartige Ausstrahlung und Wucht, dass jede Opposition als hoffnungslos, ja geradezu als lächerlich erscheint. Der Sozialismus, als radikalster Versuch, das System zu ändern, hat Millionen Menschen das Leben gekostet, und die ewigen linken Besserwisser waren nie und sind noch immer nicht einmal bereit, sich der eigenen blutigen Geschichte zu stellen, was die Voraussetzung für einen - vielleicht ohnehin nicht mehr möglichen - Neuanfang wäre.

Die Grünen sind zu einer netten, bürgerlichen Partei konvertiert. Und was die Piraten betrifft, die neuerdings in Deutschland ein bisschen Furore machen, so würde ich sie in gewisser Weise mit den Achtundsechzigern vergleichen, jener ersten Konsumgeneration, mit dem Unterschied, dass die Achtundsechziger den freien Zugang zu materiellen Gütern wollten, während es den Piraten, die alles schon haben, nun um den kostenlosen Zugang zu immateriellen Gütern geht: Das ist, soweit ich sehe, die zentrale und einzige Idee. Sie wird, sobald Piraten selbst geistiges Eigentum hervorbringen, zerplatzen.

Natürlich ist die Netzgemeinde (man kann auch „Community“ sagen) nicht identisch mit den Piraten. Im Netz passiert allerhand, und es viel geredet von den Hoffnungen, die sich mit der Generation Facebook verbinden. Aber was ist Facebook? Was ist das Internet? Das Internet ist eine große Kloake (in der man hin und wieder auch etwas Interessantes und Nützliches findet). Und Facebook ist ein Datensammler, gegen den die Stasi ein Stümperverein war, mit dem Unterschied, dass die Stasi dem Staat diente, und Facebook (vorerst noch) nur dem Konsum: Gefällt mir!

Ja, ich weiß, es gibt nützliche Foren (zum Beispiel, um Probleme zu lösen, die man ohne Internet gar nicht hätte) und Kontaktbörsen (in denen man sich in der digitalen Welt kennenlernen kann, weil man für die wirkliche Welt keine Zeit hat). Und man kann Blogs schreiben. Ich kenne einen, der schreibt einen Blog, dessen einziger Leser er vermutlich selbst ist. Aber immerhin, man hat das Gefühl, in der Öffentlichkeit zu sein. Und wenn man sich googelt, kriegt man sogar ein Ergebnis.

Digitaler Narzissmus. Konsum. Kommunikation ohne Inhalt. Ein Medium das zur Botschaft wird, indem es um sich selbst kreist. Das ist nicht die Lösung, das ist Teil jener Krise, von der ich spreche.

9. Na schön, vielleicht bin ich gerade nur in besonders mieser Stimmung, weil ich mein Notebook in einer Lufthansa-Maschine stehengelassen habe. Ja, auch ich schreibe längst nicht mehr mit der Hand. Auch ich bin abhängig von E-Mail und Google. Seit mehr als einem Monat bin ich nun beschäftigt, zuerst mit der Suche nach dem Gerät, dann mit dem Versuch der Wiederherstellung der Daten. Ein furchtbarer Monat - aber nicht der erste furchtbare Monat, den ich mit Computercrashes oder Datenverlusten zugebracht habe. Ich weiß, in Zukunft passiert das nicht mehr, die Technik wird immer vollkommener. Das Dumme ist, dass wir immer in der Gegenwart leben.

Und in der Gegenwart stellt sich heraus, dass das Notebook nicht auffindbar ist. Die Reinigung der Flugzeuge ist nämlich an eine Fremdfirma „outsourct“, und das „Cleaning-Personal“, so wird mir von einer Person, die nicht genannt werden möchte, erzählt, steht so unter Druck, dass es oft keine Zeit hat, sich um Fundsachen zu kümmern und dieselben schlankweg in den Müll schmeißt.

Übrigens war es ein Lenovo-Notebook, auch das will ich gern noch ausplaudern. Ein High-End-Notebook, ausgerüstet mit einer speziellen Rescue-&-Recovery-Software, extra für den Fall des Verlustes von Daten oder Gerät - die dann aber natürlich nicht funktioniert, jedenfalls nicht so, wie sie soll. Ich erspare dem Leser enervierende Einzelheiten (es geht um bestimmte verschlüsselte Dateien). Ich erspare ihm die Schilderung eines mehrstündigen Aufenthalts im Lenovo-Fachgeschäft, der Telefonate mit Service- und Supporthotlines, des E-Mail-Verkehrs mit sogenannten Level-2-Technikern und so weiter. Wir sind, wie gesagt in der Gegenwart. Und in der Gegenwart blieb das Problem ungelöst, und ich habe mein Notebook zurückgeschickt und bin erst mal ohne nach Kopenhagen geflogen.

Ohne Notebook, ohne E-Mail-Zugang, ohne Google. Und es war wunderbar! Es war analog! Es war so gut, dass ich mir vorgenommen habe, nie mehr ein Notebook mit auf solche Reisen zu nehmen.

EU-US

Britain will be weaker without EU, says Washington

19 December 2012

Presseurop

The Daily Telegraph

[*The Daily Telegraph* reports](#) that the US government is increasingly worried by developments in the UK, where anti-EU sentiment and the [Ukip](#) are on the rise. In a context where Conservative PM David Cameron has remarked that Britain out of Europe was "imaginable" while his government has continued to drift towards holding [a referendum on EU membership](#), the Obama administration is concerned about British withdrawal from EU institutions, which "would also reduce American influence on the continent."

Historically, Washington has been able to rely on London for support for its views, particularly in the fields of foreign policy and free trade where Britain's advocacy is thought to be crucial to prevent a "drift towards protectionism" in the EU. The fear is that a UK whose involvement in Europe is limited to participation in the single market will be a much weaker ally. As *The Daily Telegraph* reports —

"It is important to state very clearly that a strong UK in a strong Europe is in America's national interest," said a senior US administration official. "We recognise national states but see the EU as a force multiplier".

The news that America will be exerting pressure to keep Britain in the European fold has not been welcomed by the Eurosceptic Ukip, whose foreign affairs spokesman, William Dartmouth, remarked: "It is not the job of the UK to make the work of US diplomats easier. It is our job to secure our own interests."

Schuldenrückkauf Griechenlands

Retter der Hedgefonds

19.12.2012 · Der griechische Schuldenrückkauf ist eine gigantische Umverteilung zugunsten einiger Gläubiger. Allein der Hedgefonds Third Point ist eine halbe Milliarde Euro reicher. Das geschundene Land hat hingegen nichts davon.

Von [Holger Steltzner](#)

Der griechische Schuldenrückkauf ist eine gigantische Umverteilung zugunsten einiger Gläubiger - das geschundene Land hat davon nichts. Im August notierten Staatsanleihen aus Hellas mit rund 18 Prozent, Papiere privater Anleger im Nennwert von 60 waren am Markt nur 10 Milliarden wert.

Im September kündigte EZB-Präsident Mario Draghi an, zur „Rettung“ des Euro unbegrenzt Staatsanleihen zu kaufen, woraufhin der Preis auf 25 Prozent stieg. Danach sagte Finanzminister Wolfgang Schäuble, Hellas kaufe seine Schulden zurück, der Preis stieg auf 35 Prozent, der Marktwert kletterte auf 20 Milliarden.

Hedgefonds haben die Mechanik der gescheiterten Schuldenrückkäufe studiert

Schließlich wurden für den Rückkauf 10 Milliarden Euro Steuergeld ausgegeben, um Schulden im Nennwert von 30 Milliarden vom Markt zu nehmen. Dadurch hat sich aber nur kosmetisch der Nominalwert der Anleihen auf 30 Milliarden halbiert, der Marktwert liegt wegen des Preisanstiegs wie zuvor bei 10 Milliarden Euro.

Hedgefonds haben offenbar die Mechanik der gescheiterten Schuldenrückkäufe der Geschichte studiert - im Gegensatz zu den „Euro-Rettern“. Deswegen ist nun der Euro-Steuerzahler 10 Milliarden ärmer und allein der Hedgefonds Third Point eine halbe Milliarde Euro reicher.

Retraites : d'amples efforts seront encore nécessaires

Par [Marc Landré](#) Mis à jour le 20/12/2012 à 07:29 | publié le 19/12/2012 à 20:35 [Réactions](#) (47)



Dans son programme, François Hollande a promis de «négocier une nouvelle réforme des retraites» en 2013. Crédits photo : LUDOVIC/REA/LUDOVIC/REA

Pour ramener à l'équilibre les comptes des régimes d'ici huit ans, le Conseil d'orientation des retraites présente trois scénarios : hausse des cotisations, baisse des pensions ou nouveau report de 9 mois l'âge de départ moyen à la retraite.

Comme attendu, le Conseil d'orientation des retraites ([COR](#)) a rendu publiques mercredi ses perspectives financières pour les régimes de retraite. Et comme attendu, elles sont mauvaises, très mauvaises même. Et ce, sur la base d'hypothèses pourtant relativement optimistes, comme un taux de croissance du PIB de 2% par an à partir de 2014 et une décreue du chômage. Selon ses calculs, le besoin de financement des 33 régimes de retraite de l'Hexagone (général, fonctionnaires, non-salariés et spéciaux) devrait se creuser sous l'effet de la crise, passant de 14 milliards en 2011 à 21,3 milliards en 2017.

Ensuite, tout dépendra de la baisse du nombre de demandeurs d'emplois. Dans le cas où [le taux de chômage](#) retomberait à 7,3%, le trou reculerait en 2020 jusqu'à 20,8 milliards «grâce au dynamisme accru des ressources lié à la diminution du chômage et à l'amélioration des salaires». Et dans l'autre, moins favorable en terme de chômage (7,8%), il progresserait pour se fixer sous la barre des 25 milliards. L'impact sur les âges de départ, sans nouvelle mesure correctrice, serait important. Dans le régime général, les salariés liquideraient leur retraite à 63,1 ans en 2022, contre 62 aujourd'hui. Et réduiraient un peu l'écart avec les fonctionnaires qui cesseraient leur activité à 58,7 ans à partir de 2025, contre 57,1 actuellement.

Pour atteindre l'équilibre en 2020, le COR propose trois pistes, combinables mais présentées isolément pour fixer les esprits. Primo, une hausse du taux de prélèvement global de 1,1 point, donc des cotisations, par rapport à aujourd'hui. Secundo, une baisse de 5% du montant des pensions. Et tertio, un allongement supplémentaire de 9 mois de l'âge effectif de départ en retraite, soit «un décalage au total d'environ un an et 9 mois par rapport à 2011», précise le COR.

Nouvelle réforme fin 2013

Pour la gauche, ces nouvelles prévisions sont la preuve que [la réforme Woerth](#) de 2010, dont la principale mesure a été de reculer de deux ans l'âge de départ en retraite, a été un échec. «La principale question, c'est à quoi cela a-t-il servi de faire ce qui a été fait, qui a été brutal, qui a été très injuste, dont on nous avait dit que ça permettrait de rééquilibrer le régime de retraite à l'horizon 2020?», a martelé [Michel Sapin](#), le ministre du Travail.

Les chiffres actualisés du COR ont au moins une vertu: remettre, une nouvelle fois, le chantier des retraites sur le tapis. Le gouvernement attend le 22 janvier un nouveau rapport du COR d'état des lieux des régimes et portant sur les mécanismes d'acquisition des droits. Il désignera ensuite une «commission pour l'avenir des retraites» qui proposera «différentes pistes de réforme». Des décisions seront prises avant la fin de l'année, conformément à l'engagement de François Hollande de «négocier une nouvelle réforme des retraites» en 2013.

Pour le ministre de l'Économie, [Pierre Moscovici](#), les évolutions à décider devront être «justes» et intégrer les questions «de pénibilité et de carrières interrompues». Bref, de nouvelles dépenses en perspective qui compliqueront un peu plus le retour à l'équilibre, surtout après le vote à l'été 2012 d'un retour partiel à la retraite à 60 ans pour 110.000 salariés par an. Cette mesure coûtera en effet la bagatelle de 7 milliards sur le quinquennat, financée par un relèvement des cotisations.

«Le gouvernement va se retrouver confronté au mur des réalités, confirme au *Figaro* [Éric Woerth](#), l'ex-ministre du Travail. Pour les socialistes, une réforme juste, c'est offrir plus, dépenser plus. Mais ce que l'on a est déjà pas mal et ces promesses seront impossibles à tenir, sauf à augmenter démesurément les cotisations. Je souhaite bon courage au gouvernement car il ne va pas avoir d'autre choix que de reculer l'âge de départ et se contredire.»

December 19, 2012

God Save the British Economy

What an austerity experiment can teach the U.S. and the rest of the world.

By [ADAM DAVIDSON](#)



Entering the Bank of England is like walking back in time to the old British Empire. Its brass door is attended by the Pinks, men in black hats and pink tailcoats. Vast meeting rooms are decorated with richly colored carpets, high ceilings with gold filigree and ornate furniture. Between rooms, the marble floors bear monetary-themed mosaics. One depicts the development of the [British pound](#). Elsewhere, the mosaics take the form of constellations — a reminder that the empire and its economy once dominated everywhere you could see the stars at night.

One morning this summer, I went to the bank to visit Adam Posen, a member of its Monetary Policy Committee, the custodian of the pound. With bright red curly hair and a trim beard, Posen, who is 46, stands out in all the M.P.C.'s official photographs. He is “fatter” and “fuzzier” than the other officials, he joked. Posen also happens to be only the second American economist ever to serve on the committee.

It's impossible to imagine the uproar if President Obama ever nominated a British academic to work at the highest level of the Federal Reserve. But when Posen arrived, in September 2009, his job was to provide an outsider's perspective. The bank was trying to steer [Britain](#) through the global financial crisis, and Posen seemed like a uniquely perfect fit. In the late 1990s, when he was a 30-year-old economist, his contrarian critique of Japan's central bank and finance ministry helped that country put an end to its so-called Lost Decade. In the years since, Posen has become a well-respected adviser to (and critic of) many of the world's key financial institutions. With this appointment, Posen crossed the line from scholar to decision maker. It was the first time that he had real power.

Posen arrived in London after the acute panic of the financial crisis had given way to the long slog we're still in. At that point, policy makers around the world were given the task of assessing the damage and devising a plan that would best position the economy to function at normal levels. The United States had already responded with a roughly \$800 billion stimulus package. In the spring of 2010, British voters went in another direction. They elected Prime Minister David Cameron, who had promised to reset the economy by severely cutting government spending, which would lead to significant public-sector layoffs. The economy's only chance to return to long-term growth, Cameron argued, would be a painful, but brief, period of austerity. By shrinking the size of an inefficient government, Cameron explained, the budget would be balanced by 2015 and the private sector could lead the economy to full recovery.

Today these two approaches offer a crucial case study and perhaps a breakthrough in an age-old economic argument of austerity versus stimulus. In the past few years, the United States has experienced a steep downturn followed by a steady (though horrendously slow) upturn. The U.S. unemployment rate, which shot up to 10 percent at the end of 2009 from 4.4 percent in mid-2007, has now dropped steadily to 7.7 percent. It might be a frustrating pace, but it's enough to persuade most economists that a recovery is under way.

The British economy, however, is profoundly stuck. Between fall 2007 and summer 2009, its unemployment rate jumped to 7.9 percent, from 5.2 percent. Yet in the three and a half years since — even despite the stimulus provided by this summer’s Olympic Games — the number has hovered around 7.9. The overall level of economic activity, real G.D.P., is still below where it was five years ago, too. Historically, it’s almost unimaginable for a major economy to be poorer than it was half a decade ago. (By comparison, the United States has a real G.D.P. that is around a half-trillion dollars more than it was in 2007.) Yet austerity’s advocates continue to argue, as Cameron has, that Britain’s economic stagnation shows that the government is still crowding out private-sector investment. This, they say, is proof that austerity is even more essential than was first realized. Once the debts have been paid off and the euro zone solves its political problems, the thinking goes, the British economy will bounce back quickly.

When I visited Posen this summer, he refused to publicly criticize a sitting administration’s policies, but every time the topic of austerity came up, he was unable to hide his frustration. Posen’s term ended in August, and his subsequent nondisclosure agreement expired last month. Now he wants to persuade everyone he can that Britain should abandon its austerity program. He says that he has a solution that would quickly return healthy economic growth. His critics say that his prescription would bring about another financial panic. But whether you think he’s right or wrong depends on what you make of the data.

Economics often appears to be an exercise in number-crunching, but it actually resembles storytelling more than mathematics. Before the members of the Monetary Policy Committee gather for their monthly meeting, they sit through a presentation from the Bank of England’s economic staff. The staff members take the most recent economic data — G.D.P. growth, the unemployment rate and more subtle details gathered from interviews with businesspeople throughout the country — and try to fashion it into a narrative. Does a sudden spike in new factory orders represent a fundamental shift, or is it just a preholiday blip? Do anecdotal reports of rising food prices herald a period of inflation, or is it the result of a cold snap? Which story *feels* truer?

A few days later, each of the nine members of the M.P.C. puts forth his or her own interpretation. Over two days, the members debate these competing narratives and discuss what the Bank of England should do. Then the committee votes, and the winning policies are implemented.

Soon after Cameron was elected, Posen argued that the committee should endorse a more radical, expansionary approach of economic recovery. He believed that the data indicated the sputtering would end and the economy would grow only if the Bank of England began buying many billions of pounds’ more worth of bonds. This added stimulus would flood the banking system with new cash and indirectly push banks to lend to businesses and citizens. (Banks don’t make money by sitting on cash.) Some of Posen’s colleagues warned that this would lead to inflation. He countered that the economy was operating below its capacity, so there was no reason to fear inflation.

Each month, the committee heard Posen’s advice. Each month, it voted 8 to 1 against him. The bank eschewed his more expansionary suggestions and stuck to a more conservative approach of keeping interest rates low and modest bond-buying. Soon Posen became a famously divisive figure in London’s financial community, alternatively the enlightened genius trying to save the country and the mad Yank who wanted to inflate the pound out of existence. “There was this period,” he remembers, “when I would lie awake at night and think: Am I just crazy? Maybe I’m nuts. It’s like the scene in ‘12 Angry Men.’ I almost wavered. But then I decided: No, no, no. I was convinced: They’re nuts and I’m right.”

It wasn’t necessarily that simple. Over the past several years, the economic data in Britain have been so unusual that they have forced a rethinking of some of the most fundamental assumptions underlying economics. There just isn’t any pre-existing narrative to explain what’s going on. When major market economies have experienced extended periods with little or no growth, like the global economy during the Great Depression or Japan in the 1990s, unemployment *always* shot up. In sluggish post-crisis Britain, though, unemployment has barely moved for three years.

This detail might seem like a minor quirk, but it poses a huge problem for economists. Every major economic school of thought is based on a few shared principles, and one of them is that companies will fire workers when they become less productive and hire them when they become more productive. This basic idea provides a

foundation on which modern theories about economic recovery are built. Left-leaning Keynesian economists support government stimulus, because they think it will increase overall economic demand and give an incentive for employers to hire more workers. Economists on the right counter that paying off debt will actually inspire more confidence and prompt employers to hire. So what do you do when the unemployment rate stays roughly the same even as the economy gets worse? What does it mean when a larger work force, given the population increase, creates less output.

Prime Minister Cameron and his economic team — like many centrist and right-leaning economists — looked at this confusing data and settled on a clear narrative: businesspeople and global investors, discouraged by an expanding and debt-ridden government, had concluded that the economy would remain stuck if nothing changed. And any fiscal stimulus, Cameron argued, would make the government even more bloated. Those mounting debts would be ever-harder to pay off, terrifying global investors. After all, that's what happened in Greece.

If properly understood, this narrative also contains a projection so dark that it's almost never uttered out loud. When the housing and credit bubble burst, the thinking goes, it caused such dislocation in the British economy, and raised government and private-sector debt so high, that the entire nation could not possibly produce as much as it used to. Throughout the economy, people had to shift from highly profitable fields, like finance and real estate, into much less lucrative ones. Even if everyone went back to work, and even if businesses and factories produced at maximum capacity, workers would not be able to produce as much value as they could have in 2006.

According to this theory, if the entire economy is less productive, it's harder for the government — with its lower tax receipts — to pay off its debt. The only choice, therefore, is to make the government smaller: to drastically cut back on social spending and fire public workers. Only then can the economy grow again, albeit from a lower base.

To Posen, this view was not only wrong; it was also dangerous. The data, he told me, showed precisely the opposite. The economy wasn't irrevocably shrinking. It was experiencing an output gap, or a situation in which the economy is prevented from growing not through any fault of its own but by a failure in government policy. If the Bank of England adopted a more expansionary approach, and if Cameron's government reversed its austerity program, the economy would bounce back remarkably quickly. Posen knows, he said, because he saw it happen before — in an economy even bigger than Britain's.

Adam Posen grew up the son of scientists in Brookline, Mass., an upper-middle-class suburb of Boston. "I was a weak kid," he says. "Classic nerd. Captain of the math team." Around the time of his bar mitzvah, he told his parents that his dream was to one day work with a policy group dealing with international affairs. By 18, he was a devoted fan of John Maynard Keynes.

After graduating near the top of his class at Harvard, Posen returned to Cambridge to pursue his Ph.D. in political economy. Around this time, he became fixated on central banks in general, and dismantling the self-congratulatory ways in which they perceived their role in particular. Since its development in the 19th century, the modern central bank has been designated to serve as an independent, responsible counterweight to the excesses of the political system. Because politicians tend to think only as far ahead as the next election, central bankers are supposed to protect the long-term value of a nation's currency and, therefore, the stability of its economy. The modern-day hero of central banking is Paul Volcker who, as the chairman of the Federal Reserve, fearlessly raised interest rates high enough to stop inflation even if that meant hurtling the United States into a recession and arguably costing the man who appointed him, President Jimmy Carter, his job.

In his Ph.D. dissertation, Posen argued that central bankers do not always behave like Paul Volcker. By comparing the ways that central banks behave in different economies, like those of Sweden and Italy, Posen argued that they are, too often, thoroughly enmeshed in the short-term thinking of politics. So much so, in fact, that the decisions central banks make — especially the crucial ones about the supply of money and the availability of credit — are often better understood as interest-group politics in which powerful lobbies battle for control. His research was persuasive, and Posen quickly established himself as a central-bank researcher to watch.

By 1997, Posen was a young economist when an acquaintance at the U.S. Embassy in Tokyo invited him to a conference. Posen had never had any particular interest in or knowledge about the Japanese economy, but he was happy to take a junket and spend a few days in the country that, not long before, was growing significantly and taking over every industry — automobiles, electronics, steel — that it entered.

By the time Posen arrived for the conference, though, Japan had been in a recession for several years. The prevailing wisdom among many of the country's economists and political figures was that Japan simply grew too much, too fast, and that as long as the central bank and finance ministry protected the core institutions — like its banks — the country would soon grow again. There was also a general view that Japan's economy — with its rapid growth and unique system of cooperation among large corporations and the government — was thoroughly unlike any other. It didn't need counsel from outsiders.

In the month before the conference, Posen read up on data pertaining to national G.D.P., employment and banking-sector activity. G.D.P. growth had slowed. Unemployment was rising. Banks were not lending freely. Posen quickly recognized that the data looked remarkably familiar. "I had this aha moment," he told me. Japan was not going through a unique and inevitable economic slowdown, Posen realized. The country was experiencing something that looked a lot like the Great Depression. And neither the government nor the central bank realized it. Like the governments and central banks of the United States and Britain 60 years earlier, Japanese bankers and policy makers were doing everything wrong to turn the economy around. He began writing a series of recommendations.

Posen diagnosed the problem as a large output gap. The economy, he argued, was fundamentally capable of producing far more goods and services, employing more people and making more money. Bridging that gap between the depressed economy and its potential required that the central bank create a lot more money and get it out into the economy. At the same time, he wrote, the government needed to spend far more, too. To accomplish both of these goals, the Bank of Japan and the government had to stop rescuing the country's sickest banks, which continued to lend to the oldest and least productive businesses.

Many of the particular issues that Posen raised had been mentioned before, but at that 1997 conference he was the first to put them all together in a coherent alternative narrative. The speech was well received, and by the time Posen returned to the United States, he had decided to focus all of his attention on the issue. Within a year, "Restoring Japan's Economic Growth," the monograph that fleshed out his argument more thoroughly, became a key guide to Japanese economic and financial policy. Other prominent economists — notably Paul Krugman and Ben Bernanke — wrote parallel analyses that supported and furthered its central insights. In 2002, Japan implemented many of these recommendations. Soon its Lost Decade of minimal growth ended, and the country's economy came back. At least until the global bubble burst in 2007.

Posen spent much of the aughts ensconced at the Peterson Institute for International Economics, a prominent Washington policy group, advising central banks and finance ministries around the world. Posen, who developed special expertise in the German economy and the euro, enjoyed the work. (He was among a small group of economists who, long ago, were skeptical about the euro.) But in 2009, when the British government asked Posen to become a voting member of the Bank of England's Monetary Policy Committee, he leapt at the opportunity. It set up something of a replay of Posen's arguments in Japan. This time, however, he would be coming at a crisis from within a central bank.

What Posen didn't expect was that the job would also reinforce his darkest fears about the role of central banks. Leaked cables on WikiLeaks later revealed that during Posen's first few months in London, Mervyn King, the Bank of England's governor, was already pressuring Cameron to follow through on austerity policies. In May 2010, the bank issued a report affirming the economic necessity of austerity. In a November 2010 parliamentary hearing, Posen accused King of partisanship. The report, he said, had compromised the impartiality of the bank and was "excessively political in the context of the election." (King declined my request for an interview.)

But it was too late. After Cameron's 2010 election, the chancellor of the Exchequer, George Osborne, had already laid out a budget that called for several years of cuts. If they were not implemented, he warned, Britain would experience "higher interest rates, more business failures, sharper rises in unemployment and potentially even a catastrophic loss of confidence and the end of the recovery. We cannot let that happen."

Every two months or so, each member of the Monetary Policy Committee is encouraged to give a speech outside London. It's part of an effort to erase the Bank of England's reputation for seeming uninterested in the concerns of average citizens, or at least those who live far away from the city's bankers and financiers. And so on the afternoon of Posen's final speech as an M.P.C. member, it was hard to miss the paradox. He was in a small town on the southeast coast of England delivering an argument directed at a handful of decision makers in the capital.

It was a rainy day in Chatham, the grim place where Charles Dickens spent much of his childhood and where the kitschy indoor amusement park, Dickens World, is now the main attraction. (The park features a flume ride through an ersatz centuries-old London, replete with the actual smell of rotting cabbage.) Posen spoke down the road, at the Universities at Medway, a consortium of local schools open to students "without traditional qualifications." The audience was made up of a few dozen pensioners, some students, local businesspeople and three wire-service reporters who would pass on whatever Posen had to say to the insiders back in the city. "I'm one of their beats," he said. "Once I leave the job, who knows if anybody is going to show up to any of my speeches."

Posen gave the speech, which ran over an hour, with only minimal notes. Much as he did in the bank's monthly committee meetings, he projected economic data on a screen and explained the narrative that he thought best accounted for what was happening in the British economy. He quickly focused on the core economic riddle — the data showing that worker productivity has fallen while the unemployment rate has stayed the same. It seemed impossible, he said. How do more people make less? "If you're a worker, you didn't wake up one day in October 2008 and find your left arm missing," Posen told the crowd. "You didn't find yourself lobotomized and forget how to run whatever machine or do whatever it is you do. In November 2008, a business owner did not wake up one day and find that their factory had been bombed in the blitz like their grandparents had. It's all still there."

Then Posen's defense became more technical. He said the problem wasn't a sudden collapse in the capacity of workers and factories. The problem, more simply, was that there wasn't enough demand to support full production. The private sector, in other words, was no longer able or willing to spend enough money for the economy to function at its peak levels. If the government or Bank of England could do more to stimulate the economy through any number of tools at their disposal — like more quantitative easing and infrastructure spending — demand would rise, and everyone's productivity would shoot back to normal.

It was a subtly (but crucially) different way of looking at the problem: the country was not truly less capable. The problem was not one of supply, Posen suggested, but rather of demand. Workers were not less productive than they used to be. They merely needed some help from the government and the central bank — rather than budget cuts — to close the output gap.

To those who follow the economic debates in the Bank of England and Parliament, Posen's speech was a barely concealed attack on Cameron's policies. In Chatham, though, the crowd didn't seem to understand that the polite American enthusiastically pointing to graphs on a projector was declaring that their prime minister was a financial philistine. Posen followed central-bank custom and declined to mention Cameron by name or explicitly critique the government's policy. (His sharpest and most overt statement — "When your government is cutting its budget deficit, it tends to drag down consumption" — wouldn't exactly start a bar fight.) Months later, Posen told me that his tenure in England was often enormously frustrating. Next month he begins a new job as the president of the Peterson Institute. He thinks that he can do more to revise the economic narrative from Washington than he ever could from within the Bank of England.

The economics profession advances by one confusing financial disaster at a time. A series of 19th-century banking crises in England and the United States inspired policy makers to create the modern central bank. Then came the Great Depression, a period of economic misery that existing ideas could not explain. John Maynard Keynes and the far more libertarian Friedrich Hayek spent the 1930s trying to make sense of the inexplicable economic data. In the process, they developed the two schools of thought that still dominate economic arguments. The Keynesians overwhelmed public discussion in the United States and Britain until the 1970s, when Hayek, along with Milton Friedman and his Chicago school, became more popular.

By the 1990s, the debates between these two radically different theories seemed to have abated. Economists seemed to have accepted a consensus view of the world, one in which the profession would provide technocratic, nonideological solutions. It seemed like the fulfillment of Keynes's dream that one day economists would be like dentists: boring practitioners of an uncontroversial and undeniably helpful science.

Then the financial crisis ripped this consensus apart. When Cameron's government began its austerity program, many of the world's leading policy makers were behind him. That September, the International Monetary Fund formally endorsed his spending cuts, stating that "the plan greatly reduces the risk of a costly loss of confidence in public finances and supports a balanced recovery." The British Office of Budget Responsibility also signaled that Cameron's austerity approach would bring economic growth and reduce unemployment. In the 2010 midterm elections, U.S. voters flooded Congress with Tea Party-friendly candidates. Many carried the mandate to halt further government stimulus.

Since then, though, an increasing number of global economic policy leaders have turned on austerity. Earlier this year, in a remarkable joint statement, the I.M.F., along with the World Bank, World Trade Organization and eight other major economic institutions, warned that austerity was hurting global growth and raising unemployment. They asked the world's major economies to embrace stimulus. Over the past few months, the I.M.F. and its deputy director, David Lipton, also have issued several suggestions that the British government soften its austerity program. Mervyn King hasn't entirely disowned his earlier pro-austerity views, but he is no longer the policy's enthusiastic booster. Toward the end of 2011, Posen finally persuaded the M.P.C., in a unanimous vote, to increase its bond-buying program by 75 billion pounds (about \$120 billion at the time). Even King supported him.

Cameron and his chief financial-policy minister, Osborne, say they have only deepened their commitment to austerity. Osborne recently announced that while he had hoped austerity could end by 2015, it now looks as if the policy will continue until at least 2018. That is, if the Tories are in power. Recent opinion polls show that after years in a dead heat, the Labour Party now has a solid lead in popularity, though elections are more than two years away.

As long as it continues, this experiment offers some crucial lessons for the United States. So far, austerity has not significantly improved economic health. The plan to shrink the size of government did not generate a sudden surge of private-sector confidence and investment. For all its differences, Britain is similar enough to the United States to suggest that severely cutting government spending in America wouldn't be enough to quickly speed up our own frustratingly slow recovery either. Advocates for greater stimulus in the United States frequently point to Britain's dismal experience as proof that unemployment will fall and economic activity will rise if the government spends considerably more money. But demonstrating that austerity has failed does not prove that stimulus fixes everything. After a few years of growth, Japan's economy has found itself back in a period of stagnation.

Adam Posen says that the challenge of economic policy at a time when the economic data are so unlike anything that has come before is that no one can be sure what will work. But he says that's no reason for inaction. Our options, he argues, can be divided into three general categories: austerity, stimulus and doing nothing. He, like an increasing number of mainstream economists, believes we can now scratch austerity off the list. Doing neither stimulus nor austerity — which is basically what's happening in the United States — isn't working, either. So, he says, let's try stimulus, even if we don't know for sure it'll do the job. Now he wants to persuade America that it's the best shot it's got.

[Adam Davidson](#) writes the [It's the Economy](#) column for the magazine. He is co-founder of NPR's "Planet Money," a [podcast](#) and [blog](#).

Editor: [Jon Kelly](#)

December 19, 2012

Challenging France to Do Business Differently

By [LIZ ALDERMAN](#)



Pool photo by Bertrand Langlois

President François Hollande must find a way to make palatable a shift in French labor practices.

PARIS — Louis Gallois, one of [France](#)'s most influential industrialists, knew he was about to make waves for the country's Socialist president.

It was late October, and President [François Hollande](#), faced with an alarming deterioration in the economy, had turned to Mr. Gallois for advice on how to put corporate France on a more competitive footing with the rest of Europe.

Mr. Gallois didn't sugar-coat the message. His report called for a "competitiveness shock" that would require politicians to curb the "cult of regulation" he said was choking business in France.

The report said that unless France relaxed its notoriously rigid labor market, the country would continue on an industrial decline that had destroyed more than 750,000 jobs in a decade and helped shrink France's share of exports to the European Union to 9.3 percent, from 12.7 percent, during that period. The report also called for cuts to a broad range of business taxes used to pay for big government and France's expensive social safety net.

But some wonder whether those measures, even if they can be adopted, would suffice. For them, there is a larger question: Can France be fixed?

While the European crisis has made the French acutely aware of the need to modernize the economy, the country may be running short on time. And there are mixed signals on whether the Hollande government is willing to heed the advice.

As details of the report leaked, the French news media went into a frenzy over whether their country — so resistant to change that the government still controls the price of a baguette of bread — was prepared for such upheaval.

Mr. Hollande quickly provided an answer: a competitiveness "pact" between business and government would better suit French society.

As Mr. Hollande's finance minister, Pierre Moscovici, hastened to explain, "A shock causes trauma, whereas a pact reassures."

But many observers say reassurance may no longer be an option.

Even the Germans are alarmed: Behind closed doors, Chancellor Angela Merkel and officials in her entourage are said to be worried that a failure by Mr. Hollande to improve competitiveness could ricochet back to the weakening German economy, further stalling what had long been twin engines of growth for Europe.

"The concern is not just that France could be the next candidate affected by turbulence" from the euro crisis, said Lars P. Feld, an economics professor at the University of Freiburg and an adviser to the German government. "The fear is that it doesn't manage to cope with the loss of competitiveness and therefore produces little growth or perhaps even stagnation for the next few years," Mr. Feld said. "And that after that, it could become the new sick man of Europe."

France still has much working in its favor. Second only to Germany as Europe's biggest economy, and the fifth-largest in the world, France is a wealthy country with a high savings rate, large foreign direct investment and world-class research and development capabilities.

And the interest rate on French 10-year bonds is only about 2 percent. That is much closer to Germany's rate than to those of the euro zone's staggering giants, Italy and Spain, which are above 4 percent and 5 percent respectively, as they struggle to clean up their economies.

Yet, last week the French central bank warned that growth would shrink 0.1 percent in the last three months of 2012, after stagnating for most of the year. Last month Moody's Investors Service followed Standard & Poor's in stripping France of its triple-A credit rating, saying the government was failing to ignite competitiveness fast enough.

Meanwhile, an ambitious effort Mr. Hollande began shortly after his election in May to cut the deficit to 3 percent next year from 4.5 percent through tax increases and spending cuts may dampen growth further and ratchet up unemployment, which recently neared 11 percent, twice the rate in Germany.

Taxes on businesses are rising, and a 3 percent dividend tax recently sent money fleeing the country. A plan to lift the capital gains tax to 60 percent from 19 percent sparked a revolt among e-commerce entrepreneurs.

Amid the turmoil, Mr. Hollande seized on the Gallois report. The day after its release, the government announced a €20 billion, or \$26.6 billion, payroll tax break for business and endorsed a handful of other recommendations, including trying to compel bosses and union leaders to agree on more labor market flexibility.

Those moves fanned hopes that France might finally be becoming more friendly to business. But the message was soon muddled.

Within a few weeks, Mr. Hollande's administration was in a showdown with a major employer, the Luxembourg-based steel giant ArcelorMittal, over a plan to cut about 630 jobs at two mothballed blast furnaces at a production complex in Florange. The jobs at issue were but a small fraction of the 20,000 the company employs in France, and the Hollande government's threat to nationalize the Florange plant over the matter sent a shudder through foreign multinationals doing business in France.

The International Monetary Fund [recently urged France](#) to curb government spending, which at 56 percent of output is among the highest levels in the euro zone. [Belgium, Denmark and Finland are in a similar range](#), according to the European data agency Eurostat.

The I.M.F. also called for France to tame bureaucracy, cut taxes and make labor markets more flexible. France's "significant loss of competitiveness" is the main hurdle to growth and job creation, the fund added, indicating that those problems would very likely grow worse if France "does not adapt."

Creating the political momentum to achieve that is not easy. Culturally, France and many of its leaders are wedded to the idea that a social safety net — despite its expense — is needed to protect society from the ravages of laissez-faire economics. Economists say a pullback would have to happen to enhance competitiveness, something Mr. Hollande is aware of but has so far treaded lightly around.

In other countries, “people roughly understand what modern economics are about — if you say competitiveness, it’s not a dirty word,” said Pascal Lamy, the director general of the World Trade Organization, who is also a rare member of the French Socialist Party who favors open markets.

The hurdle to modernizing the French economy, he added, is that the state “is still considered a magic wand to cure every illness.”

Meanwhile, Mr. Gallois, a sober but energetic man who was once nicknamed God by his former employees at the French national railroad company for imposing hard decisions, has largely maintained a public silence since releasing his “competitive shock” report — despite being tailed for weeks by news cameras.

Recently, in his first interview since the report’s release, Mr. Gallois, sitting in his gilt-trimmed office in central Paris and wearing the red-cross Légion d’Honneur pin he received for his past business contributions to France, acknowledged that his choice of language posed a challenge to the government. “They did not want to use the word ‘shock,’” he said. “I was only focused on industrial competitiveness, and they were also focused on employment.”

At least his report, unlike many before it, was not left to gather dust. “For the first time, I had the feeling that people were not trying to put their heads in the sand,” he said. Because of the European crisis, “public opinion was ready to welcome change,” he added; even militant union leaders were ready to listen.

But change can take years in France. While the €20 billion payroll tax credit will help, Mr. Gallois said, France still needs to do much more to make entrepreneurs feel welcome. A thicket of regulation must be cleared, he said, so that more small and midsize firms can grow and create jobs.

A hostile climate between workers and management must also be replaced with dynamic dialogue, he said, as was done in Germany in the mid-2000s, helping turn that country into an industrial powerhouse.

“In France, there is not actually agreement that companies must be competitive to create value,” Mr. Gallois said. “We need to create that consensus first, and after that people can fight over sharing the benefits of competitiveness.”

He paused and looked at a large photo on his wall of an Airbus A380 soaring above the clouds — a symbol of what French industrial might can achieve.

Mr. Gallois’s type of straightforward thinking is relatively common in corporate boardrooms. But getting an entire nation to sign on to a new way of doing business is a challenge.

“People have to understand that France is a special animal,” Mr. Gallois said. “We could be more business-oriented, but only if we ensure justice and fairness for everybody.”

Who Will Keep The German, And Thus Europe's, Economy Running?

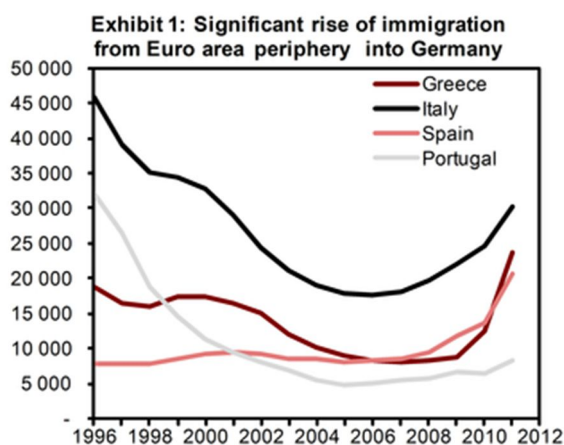
Submitted by [Tyler Durden](#) on 12/19/2012 22:00 -0500

After a significant slowdown in the years before the crisis, Goldman Sachs notes that the number of immigrants coming to Germany is rising strongly again. While it is **not clear at this point how sustainable this development is**, it will nonetheless help to ease the strains in the German labour market. But, given the underlying demographics, we suspect, like Goldman, that an increase in immigration by itself is unlikely to prevent a meaningful decline in the labour force after 2020. **Only a continuous rise in the participation rate can offset these demographic trends.**

Via Goldman Sachs: German demographics and crisis-related immigration

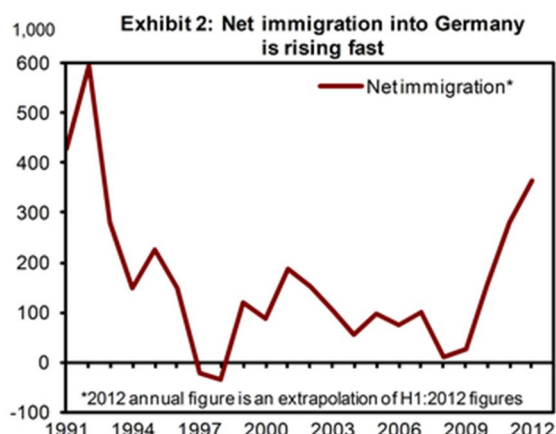
A strong rise in immigration

As the economic situation in peripheral countries deteriorates, an **increasing number of people are migrating to Germany**. While the number of immigrants from Greece, Italy, Spain and Portugal stood at around 41,000 in 2007, this number more than doubled in 2011. Numbers for the first half of 2012 point to a further acceleration of this trend in 2012 (see Exhibit 1).



Source: Destatis, GS Global ECS Research

But people are not only moving from the Euro area periphery to Germany. Total net immigration rose from just 11,000 people in 2008 to around 279,000 in 2011. **If we extrapolate the figures for the first half of 2012, total net immigration could even rise to more than 360,000 this year** (see Exhibit 2). To put this into perspective, net immigration into the UK for the 12 months up to March 2012 (the latest data available) stood at 183,000.



*2012 annual figure is an extrapolation of H1:2012 figures
Source: Haver Analytics, GS Global ECS Research

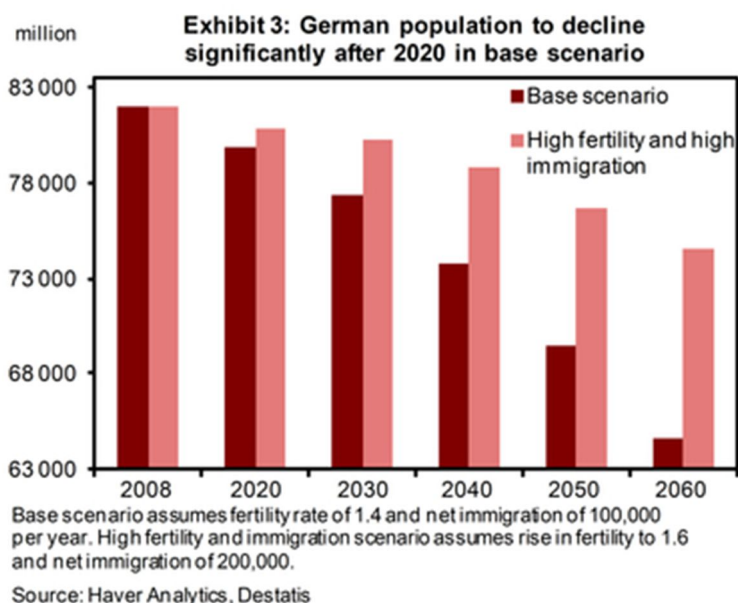
One immediate effect of this increase in immigration is an easing of some of the strains in the German labour market. **These strains have become more visible over the last two years and the current cyclical weakness** – which we expect to be temporary – has not changed the fundamental picture in any meaningful way.

The unemployment rate, for example, was 6.9% in October, only marginally above its record low of 6.8%. Note that the national definition of the unemployment rate is rather strict. Using the ILO definition, the German unemployment rate was only 5.4%; the respective figures for the UK and the US are 7.8% and 7.7%. Moreover, the national figures blur some significant regional differences, with unemployment rates in Southern Germany (Bavaria and Baden Württemberg) well below 4%. Finally, the number of vacancies stood at a level of 459,000 in October, compared with an average figure of 364,000 since 2000.

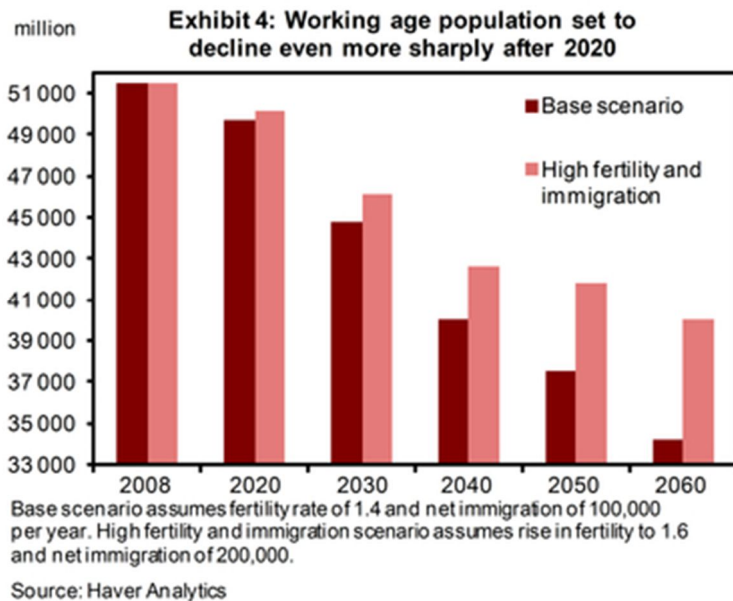
Long-term decline in population and workforce

These strains in the German labour market are set to become even more significant in the coming years due to weak demographics, which if current trends continue would lead to an overall decline in the population.

Exhibit 3 shows two different population scenarios based on the latest population projection from the German statistical office. Under its base scenario, which assumes a broadly unchanged fertility rate of 1.4 and a net immigration of 100,000 per year, the population would decline from around 82mn currently to 80mn by 2020 and 70mn by 2050. Under a ‘high fertility and high immigration scenario’, assuming a fertility rate of 1.6 and annual net immigration of 200,000, the decline in the population would slow, although the population would still be expected to decline to below 80mn by 2030 (see Exhibit 3).



Even more significant than the overall decline in the population would be the shrinkage of the working age population. According to the statistical office's base case, the working age population – we assume here that this would be everyone aged 20-67 – would decline from around 51mn currently to 50mn by 2020 and 42mn by 2050 (Exhibit 4). **Again the 'high fertility, high immigration scenario' looks more benign,** although it still implies a big decline in the labour force after 2020.

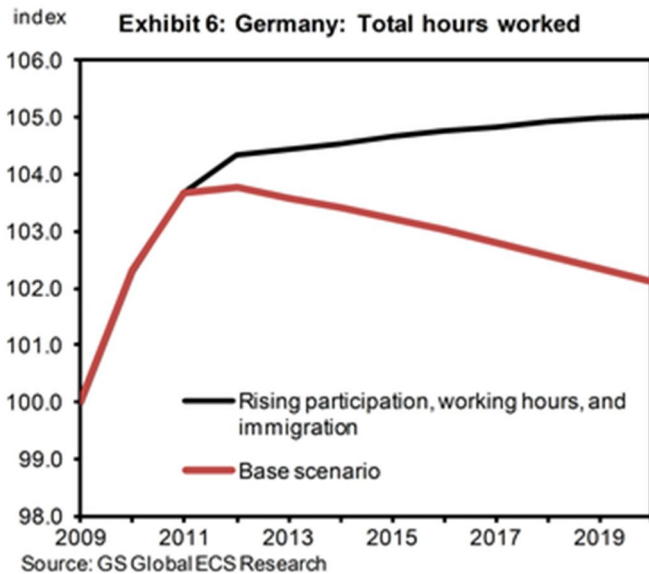


Population size and labour force: No perfect correlation

Such long-term simulations are necessarily fraught with uncertainty. This is particular true for the estimation of the labour force, which is not only determined by the overall size of the population, but also by other social-demographic factors such as the retirement age and the participation rate (the share of people in the working age population that are working). Because of this, **population and labour force can diverge, and indeed such a divergence has been observed in Germany over the last ten years.** While there was a decline in the overall population, the labour force reached a record high (Exhibit 5) as the share of the labour force in the total population rose from below 52% in 2000 to 53.5% now.



What matters ultimately, however, is not the labour force but the total number of hours worked, which is the number of people in the work force times the average annual working hours. An increase in the number of hours worked provides a further buffer to a decline in the population or the labour force.



How difficult would it be to keep the total number of working hours constant until 2020? The short answer is: not that difficult. Exhibit 6 shows two different scenarios for the number of total hours worked in the German economy. The base scenario assumes a gradual decline in the population in line with the base case projection of the statistical office and no change in either the participation rate or the average working hours. The other scenario assumes an annual increase in the participation rate of 0.1% to 54.4% by 2020 and an increase in the average annual working hours by 0.1%. Furthermore, it is assumed that net immigration rises to 200,000 per year from 100k in the base case. Under this scenario, the total number of hours worked increases by around 1% from 2011 until 2020. **What this shows is that the weak demographics would not necessarily also lead to a decline in labour input, and thus the potential growth rate of the German economy. Which scenario will play out in the end, however, also depends on the flexibility of the German labour market to accommodate an increase in the participation rate.**

Source: Goldman Sachs

A Pessimistic Note on the Euro

Author: [Paolo Manasse](#) · December 10th, 2012 · [Comments \(3\)](#) Share This Print 282 36

On February 7, I gave a talk at the [Conference “America: Still A European Power?”](#) in Bologna jointly organized by Johns Hopkins University-SAIS and Bologna University. The title of my presentation was “*Why and How the US and the EU Did/Didn’t Come out of the Economic Crisis*”. Putting my notes together, I realized that they gave quite a pessimistic view on the sustainability of the Euro as we have come to know it. This is, more or less, what I said.

In this talk I will compare how the US and Eurozone countries (EUZ) were affected by and responded to the crisis. Thus I will not say a word on the “causes” of the current crisis. I will argue that the main differences rest in three key aspects:

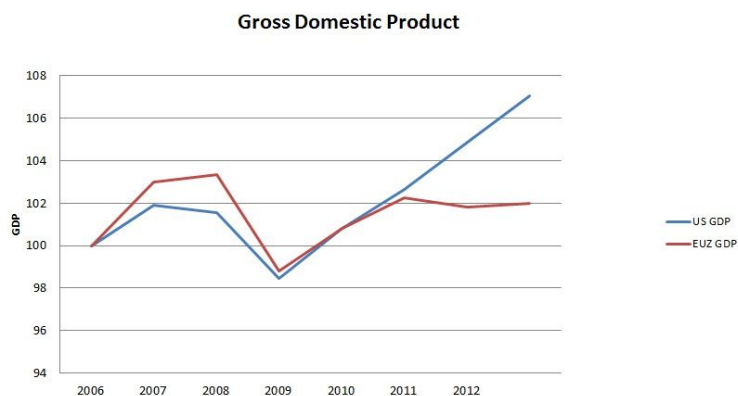
1. permanent vs transitory consequences
2. active vs passive policy responses
3. symmetric vs asymmetric shocks

I will then briefly discuss some policy implications such as

1. Is the Euro sustainable?
2. What institutional reform are required?
3. Are current reforms (Banking Union, Political Union, Eurobonds) steps in the right direction?

I. The Economy

Output

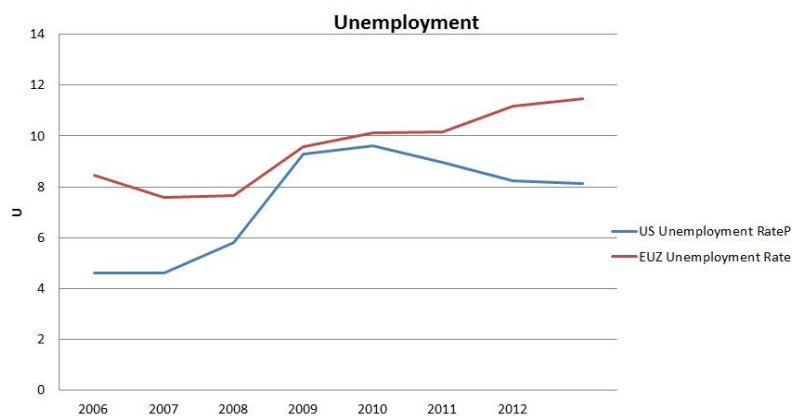


Source: P.Manasse calculations on WEO

The figure on the right compares the US (red) and EUZ (blue) GDPs since 2006 (at constant prices, source WEO database October 2012), where I have normalized the initial values to 100 (click to enlarge). The figure shows that

- The US recession starts earlier than EUZ due to the subprime crisis;
- the EUZ recession is deeper on impact;
- the US recovers from 2009, while the EUZ’s recovery is short lived and ends in 2010;
- In 2012 output is above its 2006 level by 7% in the US and only by 2% in EUZ

Unemployment



Source: P.Manasse calculations on WEO

- After a sharp rise in 2007-8 unemployment in the US declines in 2010, but there is little progress thereafter;
- unemployment in EUZ keeps rising with no sign of reversal

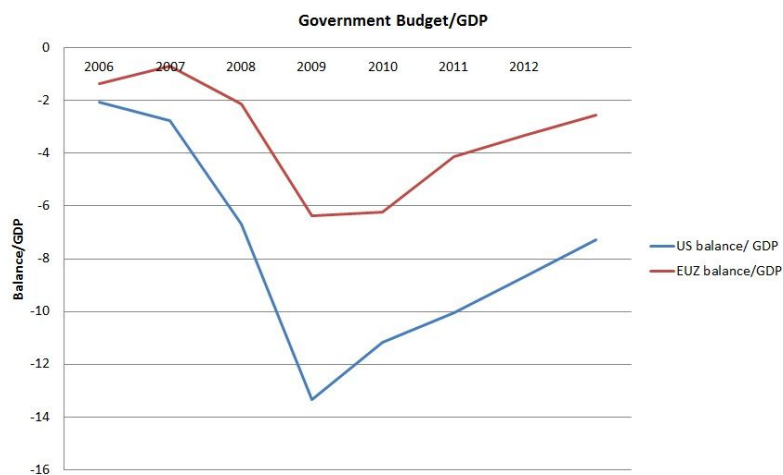
Thus we have evidence that the crisis so far has much more persistent effects in the EUZ than in the US. It seems that we are in for another round of “hysteresis” in Europe, similar to what happened after the first oil shock in 1973.

The question is to what extent this reflects *different policy stances* in the EUZ vs the US or other factors.

II. The Policy Stance

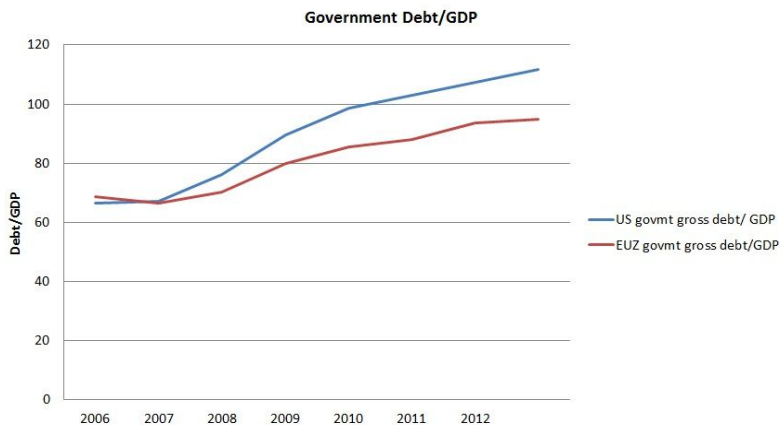
Fiscal Policy: Deficit and Debts

While the ratio of government budget deficit to GDP cannot be interpreted as an indicator of discretionary fiscal stimulus, it's nevertheless interesting to compare the US and EUZ numbers.



Source: P.Manasse calculations on WEO

- the rise in deficit/GDP ratio in the US (a downward jump in the line) is much more pronounced than in the EUZ (12 vs 5 points of GDP from peak to trough), and this occurs despite the deeper recession in Europe (which lowers GDP and raise the deficit due to automatic stabilizers);
- the “expansionary” stance in the EUZ is short-lived, and reverts as soon as 2009



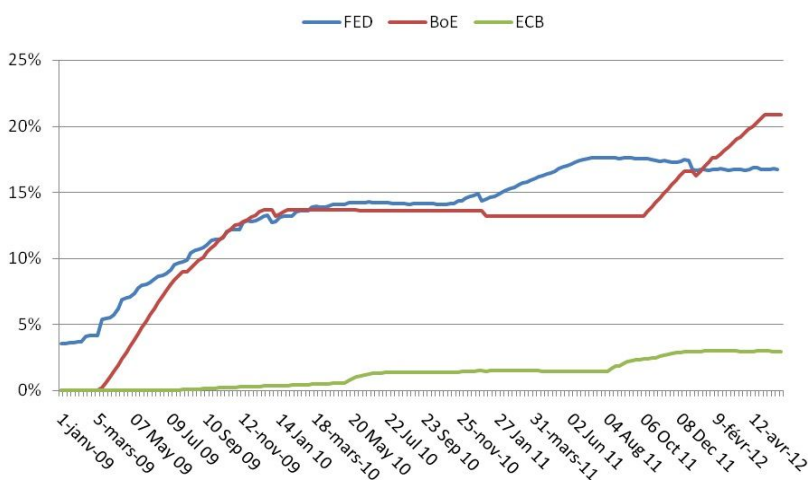
Source: P.Manasse calculations on WEO

- As a consequence, the rise in the debt/GDP ratio is much larger in the US than in the EUZ (see Figure on the right)

Monetary Policy

The next picture is borrowed from Gros et al (2011). It compares the Fed's (blue), the Bank of England's (red) and the ECB's (green) purchases of securities relative to the respective GDP. While relying on a single indicator to gauge monetary policies may not be entirely appropriate, the magnitudes involved are quite striking:

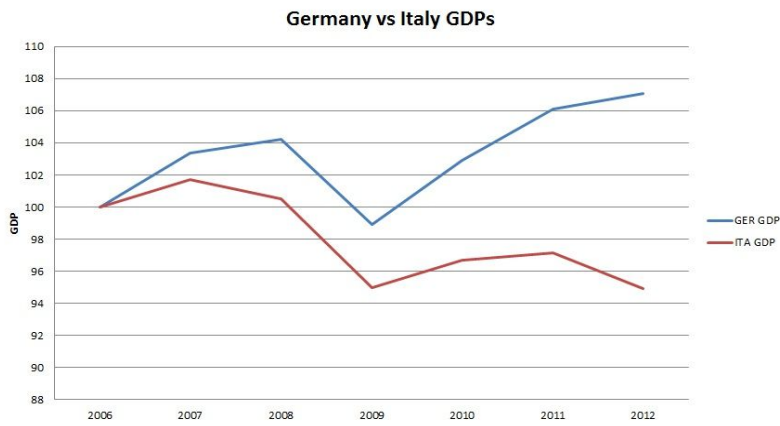
- the size of the ECB interventions is about one fifth of that of the Fed, about 4% of GDP compared to over 20%



Central Bank Purchases of Securities, % of GDP

Source: Gross et al (2011)

In Summary, even assuming very conservative fiscal multipliers, the difference in fiscal stances between the US and the EUZ (7 points of GDP from peak to trough) goes a long way in accounting for the worse performance of the EUZ compared to the US (5 point of cumulative growth) *even without* considering the strikingly less aggressive European monetary policy.



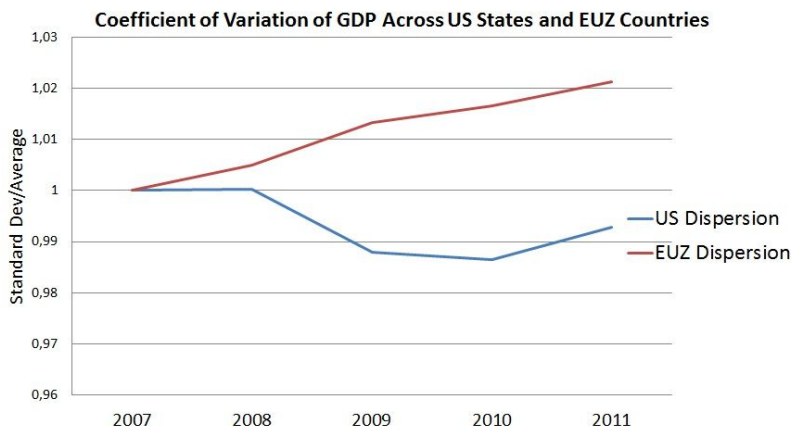
Source: P.Manasse calculations on WEO

III. Asymmetries

Beyond the aggregate responses, the crisis has heightened “asymmetries” in Europe. One example is Italy (red) vs Germany (blue).

- In 2012, GDP in Italy is 6% below the level of 2006, Germany’s GDP is 8% above 2006, a difference much larger than that between the US and the EUZ as a whole,

Unfortunately, this pattern is quite general. From the FRED data bank of the St.Louis Fed I took the time series for the American States’ GDPs and I calculated, for each year, the coefficient of variation (the standard deviation normalized by the mean). I did the same for EUZ countries’ GDP (data from last WEO) and got the striking picture below (the initial values are normalized to one, click to enlarge).



Source: P.Manasse calculation on WEO and FRED data

- Since 2006 the dispersion between EUZ countries’ GDPs rose considerably, by 3%, while that between US States actually fell (-1%)

There are quite a few candidate explanations for this:

- *asymmetric shocks*: unlike in the US, countries in EUZ were hit by country-specific shocks (fiscal and current account imbalances in Greece, credit boom and banking crises in Ireland and Spain, productivity growth in Portugal and Italy)
- *asymmetric policy responses*: unlike the US, in the EUZ we had more fiscal tightening in countries suffering larger shocks;
- *different institutions*: unlike the US, EUZ countries have segregated labor markets with different degrees of employment protection and different systems of wage bargaining, different banking and welfare systems, and this affects the response of the different economies to shocks (this is a long story that I cannot discuss here)

IV. Implications

These recent developments in EUZ have aggravated the “original sins” of the Euro, namely

- lack of international labour mobility (language, culture, social insurance) leading to unemployment persistence;
- lack of wage and price flexibility in many EUZ countries;
- lack of centralized budget i.e absence of a EUZ-wide insurance scheme (a 1\$ decline in income in Texas triggers 40c of extra federal transfers, a 1 Euro decline in income in Spain triggers less than 1c from Brussels).

This suggest that

- the reinforced EUZ' s national borrowing constraints, introduced in order to contain moral hazard and to prevent (probably unsuccessfully) debt monetization, only impart a recessionary impact on the EUZ: the system lacks any means of dealing with asymmetric shocks. This is what makes the Euro unsustainable. And it is difficult to imagine that the degree of integration in EUZ labor markets could approach that of the US in the near future;
- Any form of “political union” without transfers does not help. The problem is that the amounts required are politically unfeasible;
- Unlike a Banking Union, ESM type of arrangements or, worse Eurobonds, only help to contain the symptoms but not to cure the disease, which is getting worse.

This piece is cross-posted from [Paolo Manasse](#) with permission.

December 19, 2012

Neighborhood Is Torn Over a Killer's Legacy

By SCOTT SAYARE

TOULOUSE, France — In the spring, shortly after her son's murder, Latifa Ibn Ziaten took a taxi to Les Izards, a hard-up immigrant neighborhood here, hoping to understand. She approached a group of young men to ask, "Do you know [Mohammed Merah](#)?"

Mr. Merah, a 23-year-old French-Algerian who claimed to have ties to Al Qaeda, had killed Ms. Ibn Ziaten's son Imad, a sergeant in the French Army, with a gunshot to the head. [Before dying in a police raid in March](#), Mr. Merah admitted that killing and those of two other soldiers, a rabbi and three Jewish children. He spent much of his short life in Les Izards.

"Mohammed Merah, you know, he's a hero, he's a martyr of Islam," the men said, Ms. Ibn Ziaten recalled. "You haven't seen what it's like to live here?" they continued, gesturing toward their neighborhood of beige housing projects and gravelly concrete. "At least he showed the French what power is."

She then told the men who she was; one began to cry, she said. A man took her hand, and she worried he meant to hit her.

"I'm sorry, we're sorry, madame," he said. They told her of feeling unwanted. "We're never listened to, here in the projects," one of them said. "For them, we're just trash." They insisted the police would not have killed Mr. Merah had he not been Arab.

"These youth, they feel humiliated," said Ms. Ibn Ziaten, herself an immigrant from Morocco. They are treated as North Africans in France, she said, and as French in North Africa. "They don't know where their place is," she said. Nor did Mr. Merah.

"He took what was dearest to me; he took my son, my friend, my prince," Ms. Ibn Ziaten said. "But he was a victim of society."

Other residents of this depressed place say the same, though most do not celebrate Mr. Merah's crimes. He committed the unconscionable, they say, but he was one of them, shaped by the same forces of rejection and discrimination that they say they know and resent. They understand, to a degree, and they will not denounce him.

To much of France, [Mr. Merah was a terrorist](#), a determined killer who reviled this country, who set out for Afghanistan and Pakistan for training in jihad. In Les Izards he was, and remains, [simply Mohammed](#). The gap between those images, both true but neither complete, seems only to have deepened the sense of alienation in the neighborhood.

"We're still a bit in shock," said Frédéric Mercadal, 37, who heads the local soccer club and knew Mr. Merah well. He had his troubles, Mr. Mercadal said, and was frequently childish and needy. But he could also be "courteous and kind," even "filled with joie de vivre."

Like Mr. Merah, many local youths identify with the [Palestinian](#) cause, said Younouss Zeroual, 17, whose closely trimmed black hair peaks in a meticulous ridge. During his standoff with the police, Mr. Merah told negotiators [that he had targeted](#) soldiers who were fighting Muslims in Afghanistan — like Ms. Ibn Ziaten's son — and then chose to shoot Jews, when a separate target failed to appear, to avenge Palestinian deaths.

"Everyone says he was wrong," Mr. Zeroual said. "But they understand the message he wanted to get across."

Still, Mr. Zeroual said he believed Mr. Merah was perhaps framed by the government. As an Arab, he had “the look of a criminal” in the eyes of the state, Mr. Zeroual said. Witness descriptions of the killer did not match Mr. Merah, he said.

Lakhdar Chadli, 25, who used to play soccer with Mr. Merah, added, “We didn’t see his body.”

There is ambivalence, even pride, in his crimes. Some young men seem to enjoy the horror they can provoke by calling him a hero, residents and social workers said. Some surely believe he is.

“We’re trying not to talk about it, to move on to something else,” said a local social worker, requesting that his name be withheld. When he has tried to engage young people about Mr. Merah, they have responded only by calling him a “god.” “You can’t have a real exchange.”

In his violence, Mr. Merah has left the area feeling under siege, too, residents say, from the police and the news media, which descended en masse after the killings, and from politicians who have made Les Izards a watchword for violence and hate. In response, there has been a sort of closing of ranks. Residents discuss Mr. Merah among themselves, they say, but consider it a betrayal to discuss him with outsiders.

“I think the neighborhood has had enough of being stigmatized,” said Martine Croquette, a deputy mayor in Toulouse.

There were problems here well before the killings. The drug trade has flourished in the past decade, the authorities say, mostly hashish but also cocaine and heroin. Lookouts slump on chairs outside the entry halls at the northeast corner of the Cité des Izards, the dilapidated five-story housing complex at the center of the neighborhood. **Wary dealers conduct identity checks, as if they were members of a plainclothes police force.**

The housing complex is next to a square where buses stop and the subway lets out. There is a post office, a welfare office and a library, and across the way is a pharmacy. There is a small Muslim prayer room and a municipal activity center. There is little else.

The neighborhood is small, with about 4,000 residents, mostly Arabs from North Africa or their children. Many are observant Muslims. About half the youths are unemployed.

Residents “know they’re marginalized, they know people don’t give a damn about them,” said a local businessman and Muslim organizer, requesting anonymity for fear of local reaction. Children are urged into vocational schools instead of universities, he said. Young men say they are turned away from nightclubs because they are Arab.

Residents complain that when potential employers see their postal code, 31200, they are immediately disqualified. Many young men here “go bad in reaction,” said a local woman, a retired nurse, who asked not to be quoted by name. Some turn to the drug trade, others to Islam, though the few radical currents that exist in Toulouse have little hold here, residents say.

There are occasional concerts, though, a weekly open-air market, the library. “It’s the projects,” the woman said, but the neighborhood can also be “pleasant to live in.”

The killings have accelerated plans for an urban renovation program here, an investment of about \$25 million from the City of Toulouse. The central government recently designated the area for additional law enforcement resources, though **many residents do not feel kindly toward the police.**

Two days after police commandos killed Mr. Merah in a raid in March, a gray Peugeot sedan rolled to a stop before a cluster of young men in Les Izards. A plainclothes police officer in the passenger seat held his hands to the window, residents recalled, gesturing in celebration of his colleagues’ bloody handiwork: 1-0.

The officer, despised in the neighborhood since well before that episode, still patrols there.

December 27, 2012

The Flight From French Taxes

By RONALD SOKOL

AIX-EN-PROVENCE, FRANCE — Taxes matter. Benjamin Franklin, America's first ambassador to France, observed that nothing is certain but death and taxes. Few would disagree. Certainly not Gérard Depardieu, whose [choice to move](#) to Belgium provoked the French prime minister, Jean-Marc Ayrault, to call the move [unpatriotic](#).

Yet the French actor simply exercised a right granted by the [European Convention on Human Rights](#), the Universal Declaration of Human Rights, and in the United States by the [14th Amendment](#) to the Constitution. It is a human right to be free to leave any country, including one's own.

While flight may cost the French tax man to lose his chance to get at the purse of the ultrarich, he has long experience in emptying the purses of those who stay. French kings, emperors, consuls and elected leaders have devised ingenious ways of raising revenue. Near to where I am writing lie the ruins of a château torn down in the 17th century because the owner could not afford to pay the tax on the windows.

The tax collector bites when one is alive and bites again when one dies. In France, if the survivor at the time of death is not a spouse, child or sibling, the tax man bites off a 60 percent chunk. While one is still alive, France will tax gifts so as to prevent the taxpayer from escaping taxes by dying.

France has value-added taxes, taxes on the sale of real estate, on occupying real estate, on owning real estate, on divorce settlements if real estate is involved, taxes on employers and taxes on employees, taxes on using the judicial system, custom taxes, taxes on wealth itself, and, of course, taxes on income. It has even devised a tax on income that it tries to conceal by calling it a solidarity tax. It can then claim its income tax rate is lower than it really is.

No one believes this pretense except the American tax man who happily plays along with the French game. It allows him to deny the French solidarity tax as a credit against American taxes. America thus adds its own tax on top of the French tax. The poor taxpayer shows his solidarity by paying a tax to each country on the same income despite a treaty that exists to avoid double taxation. Such is the honesty of governments.

Yet few subjects are more fascinating than taxes. Not of course the intricacies of whether Section 12345, Part A, Subsection 3 applies to some exotic transaction. It is not the minutiae that fascinates, but rather what taxes are all about. How democracies, kings, tyrants and dictators seek to fill the state's coffers, for what purposes, and how people respond to those efforts.

Our loves and friendships are not immune from the weight of taxes. They contribute to broken marriages, ruined friendships, the breakup of businesses and the downfall of states.

Democratically elected governments try to tax as heavily as they think they can get away with so that those who win elections can distribute the revenue in the hope of getting re-elected. The taxpayer is both beneficiary and victim, and the balance between the two is often not in the taxpayer's favor.

The taxpayer strives to reduce his cost but knows that it is unlawful to evade taxes. If done deliberately and fraudulently evasion is a crime. No government will take lightly a flaunting of its tax system. France's prime minister saw Depardieu's change of domicile as a deliberate evasion of French taxes. So it was, but while deliberate it was not fraudulent. While it is unlawful to evade taxes, it may be lawful to minimize them or even to avoid them altogether.

The tax minimization industry consists mostly of accountants and lawyers who scour the tax code to find ways for Amazon, Starbucks and Depardieu to lawfully reduce the amount they pay. A move to a low tax jurisdiction is a simple solution. But in the war between the state and the taxpayer the state has more weapons.

It may, like Canada, place an exit tax on leaving the country, or, like the United States, tax citizenship. The French state has a quiver full of arrows available to aim at the next French actor, athlete or business mogul who wants to exercise his human right to leave France.

Oliver Wendell Holmes was happy to pay taxes. “Taxes,” he said, “are the price we pay for civilization.” This is surely right. The real issues are what kind of civilization we want and whether we get the civilization we pay for.

Governments are notoriously bad at managing the money they collect. In fairness, the obstacles are many: incompetency, corruption, the sheer complexity of disbursing huge sums, the multiplicity and difficulty of the tasks at hand — defense, education, health, prisons, courts, police, disaster relief, regulation of markets, banks, drugs, food safety. The result is the state is always in need of more money.

No matter how high the taxes, there is never enough.

Ronald Sokol is an attorney qualified to practice law in the United States and France. He is the author of “Justice After Darwin,” “Federal Habeas Corpus,” “The Law-Abiding Policeman” and other books and articles. He lectures annually on “What is justice?” at Imperial College, London.

Bundesbankpräsident Weidmann

„Die Ursachen der Krise sind noch lange nicht beseitigt“

29.12.2012 · In Deutschland breite sich allenthalben Krisenmüdigkeit aus, stellt Bundesbankpräsident Weidmann im Interview fest. Die Politik dürfe nicht erwarten, dass die Notenbank „die Kastanien aus dem Feuer holt“. Besonders die Debatte über mehr Inflation sei „brandgefährlich“.

Von [Rainer Hank](#) und [Christian Siedenbiedel](#)



© REUTERS Bundesbankpräsident Weidmann will seiner Haltung treu bleiben, „selbst wenn die Politik nicht hinter uns steht“.

Bundesbankpräsident Jens Weidmann hat davor gewarnt, die Eurokrise abzuhaken. „Die Ursachen sind noch lange nicht beseitigt“, sagte er im Interview der Frankfurter Allgemeinen Sonntagszeitung. Dass sich jetzt allenthalben Krisenmüdigkeit ausbreite, werde zur Gefahr, „wenn die Politik mit der Krise nichts mehr zu tun haben will und erwartet, dass die Notenbank die Kastanien aus dem Feuer holt.“

Weidmann bestreitet, dass die Ankündigung der EZB, notfalls unbegrenzt Anleihen zu kaufen, eine Wende für den Euro gebracht habe. Sein Dissens mit [EZB-Chef Mario Draghi](#) gilt weiterhin: „Ich befürchte stabilitätspolitische Risiken und die Gefahr einer Vermischung von Geld- und Fiskalpolitik.“ Die Notenbank könne lediglich „Solvenzrisiken zwischen den Euroländern unbegrenzt umverteilen“, was eine Art Versicherung sei: „Aber die Versicherung macht das System noch nicht stabiler.“ Und: „Das Eurosystem darf sich nicht in die Nähe zur monetären Staatsfinanzierung begeben.“

„Wenn alle Bundesbankpräsidenten zurückträten, was würde das bringen?“

Dass derzeit die Inflation relativ niedrig ist, lässt Weidmann als Gegenargument nicht gelten: „Das kann sich ändern, wenn die Konjunktur wieder anzieht und die Zinsen erhöht werden müssten.“ Deshalb halte er es auch für „brandgefährlich“, wenn „jetzt wieder darüber diskutiert wird, ob man nicht ein bisschen mehr Inflation zulassen sollte“.

Weidmann wies darauf hin, dass die Sparer in Deutschland schon jetzt durch die Politik der EZB zur Eurorettung belastet würden, weil die Zinsen für Sparguthaben niedriger seien als die Inflationsrate: „Negative Realzinsen sind Folgen der Geldpolitik in der Krise, die der Sparer unmittelbar spürt.“

Weidmann bestreitet, dass er wegen seines Konflikts mit Mario Draghi [an Rücktritt gedacht habe](#) und es seinem Vorgänger Axel Weber gleich tun wolle: „Wenn alle Bundesbankpräsidenten zurückträten, was würde das bringen? Dann würden alle solange zurücktreten, bis einer kommt, der alles abnickt.“ Auf die Frage, ob seine Haltung in der Eurokrise von der Bundeskanzlerin gedeckt werde, sagte Weidmann: „Wir haben unsere Unabhängigkeit bekommen, um Kurs zu halten, selbst wenn die Politik nicht hinter uns steht.“

Quelle: Frankfurter Allgemeine Sonntagszeitung

Bundesbankpräsident Weidmann

„Ich stehe im Feuer“

30.12.2012 · Bundesbank-Chef Jens Weidmann bietet EZB-Chef Mario Draghi Paroli und wird zum Anführer einer außerparlamentarischen Opposition. Ein Gespräch über Widerstand in Zeiten der Krise.



© Röth, Frank

Bundesbankpräsident Weidmann warnt davor, die Schuldenkrise vorzeitig abzuhaken

Herr Weidmann, wenn wir heute vor der Entscheidung stünden, den Euro einzuführen, nach allem was man weiß - wären Sie dann dafür?

Schon 1963 hat mein Vorgänger Karl Blessing darauf hingewiesen, dass man die Währungsunion in eine politische Union einbetten sollte. Anfang der 90er Jahre, als die Währungsunion gegründet wurde, hat die Bundesbank angemahnt, dass man zumindest klare Regeln braucht, die alle Mitglieder befolgen.

Also würden Sie abraten?

Diese Frage stellt sich doch jetzt nicht mehr. Jetzt geht es um die Verbesserung des Regelwerks und um den Willen, sich an Vereinbartes zu halten.

Jetzt ist seit bald fünf Jahren Krise. Und es breitet sich Krisenmüdigkeit aus.

Genau das kann zur Gefahr werden. Nämlich dann, wenn die Politik mit der Krise nichts mehr zu tun haben will und erwartet, dass die Notenbank die Kastanien aus dem Feuer holt.

Haben wir wenigstens das Schlimmste hinter uns?

Die Krise scheint sich im Augenblick etwas beruhigt zu haben. Es gibt Fortschritte bei den Reformen. Aber die Ursachen sind noch lange nicht alle beseitigt.

Sie waren stets dagegen, dass die EZB Anleihen von Krisenstaaten kauft. Seit EZB-Präsident Mario Draghi im Sommer angekündigt hat, notfalls unbegrenzt zu kaufen, läuft an den Anleihe- und Aktienmärkten alles gut. Sind Sie bekehrt?

Dass, wie Sie sagen, momentan an den Märkten alles gut läuft, kann nicht der Maßstab sein. Letztlich hat die EZB doch angekündigt, dass sie notfalls bereit ist, Solvenzrisiken zwischen den Euroländern unbegrenzt umzuverteilen. Eine saubere Trennung von Geld- und Fiskalpolitik ist aber wichtig. Zudem ist die Ankündigung eine Art Versicherung durch die Notenbank - aber die Versicherung macht das System noch nicht stabiler. Ich befürchte, dass der Reformeifer erlahmt, wenn immer wieder die Geldpolitik zur Problemlösung bereitsteht.

Was sind aus Ihrer Sicht denn die Ursachen der Krise?

Der Kern der Krise liegt in den Peripherieländern: ein übermäßiger Anstieg der privaten Verschuldung, eine zu hohe Staatsverschuldung sowie ein Mangel an Wettbewerbsfähigkeit, der Zweifel aufkommen lässt, dass sie die Schulden selbst schultern werden.

Ihre Gegenspieler in der EZB sagen, schuld an der krisenhaften Zuspitzung sind die Spekulanten, die auf den Ausfall von Euroländern gewettet haben.

Ich weiß nicht, wer das behauptet. Das Problem sind doch nicht Spekulanten. Investoren in Staatsanleihen sind typischerweise risikoaverse, konservative Anleger wie zum Beispiel Versicherungen oder Pensionsfonds. Deren Sorgen sind in tatsächlich vorhandenen Problemen begründet.

Aber die Gefahr, dass ein großes Euroland wie Spanien zahlungsunfähig wird, ist jetzt erst mal gebannt, oder?

Ich bin der Überzeugung, dass Spanien seine Schulden bedienen und seine Wirtschaft reformieren kann. Aber es gehört auch zum Kern des Maastricht-Vertrages, dass die Euroländer ihre Finanzpolitik selbst verantworten und dem Urteil der Märkte aussetzen. Wenn wir Zahlungsunfähigkeit künftig generell ausschließen, untergräbt das den Anreiz, solide zu wirtschaften.

Mario Draghi beruhigt die Märkte allein durch seine Worte. Ist er ein Magier wie der frühere amerikanische Notenbankchef Alan Greenspan?

Ich bezweifle, ob Mario Draghi über Ihren Vergleich so glücklich wäre. Er betont doch auch immer wieder, dass die Reformen in den Ländern das Entscheidende sind und die Geldpolitik kein Wundermittel ist.

Draghi sagt, Anleihekäufe seien vom Mandat der EZB gedeckt. Sie sind skeptisch. Wie soll der Bürger ergründen, wem er glauben darf?

Die Diskussion über die Anleihekäufe überdeckt, dass ich in vielen Fällen mit Mario Draghi einig bin. Aber in dieser Frage befürchte ich stabilitätspolitische Risiken und die Gefahr einer Vermischung von Geld- und Finanzpolitik. Das Eurosystem sollte nicht umfassend staatliche Solvenzrisiken vergemeinschaften und sich in die Nähe zur monetären Staatsfinanzierung begeben.

Der Begriff der monetären Staatsfinanzierung ist umstritten.

Ich glaube, dass wir uns als Notenbank gar nicht erst in einen Bereich begeben sollten, der als monetäre Staatsfinanzierung gesehen werden könnte. Wenn die Menschen einmal zu fürchten beginnen, dass wir Haushaltsdefizite mit der Notenpresse finanzieren, ist unsere Glaubwürdigkeit als Hüter der Geldwertstabilität schnell dahin.

Das deutsche Verfassungsgericht könnte beim EuGH überprüfen lassen, ob die EZB innerhalb ihres Mandats handelt?

Über das laufende Verfahren beim Bundesverfassungsgericht möchte ich nicht spekulieren. Ich argumentiere lieber ökonomisch. Die Frage, wie weit die Geldpolitik gehen sollte, müssen wir uns vor allem selbst stellen.

Andere Notenbanken, etwa die Bank of England, kaufen auch Staatsanleihen.

Der Vergleich passt nicht. Diese Notenbanken kaufen Staatsanleihen sehr guter Bonität, um den risikofreien Zins in ihrem Land zu beeinflussen - das kann durchaus ein Instrument der Geldpolitik sein. Die EZB kauft aber keine risikoarmen „Euroland-Anleihen“, die gibt es ja gar nicht. Sondern sie kauft Anleihen der Einzelstaaten einer Währungsunion, und zwar eben gerade nicht die mit der höchsten Bonität.

Hat die Glaubwürdigkeit der EZB im abgelaufenen Jahr Schaden genommen?

In der ganzen Diskussion geht es mir gerade darum, dass die Glaubwürdigkeit der Notenbank keinen Schaden nimmt.

Hätte denn der Euro Schaden genommen, wenn die EZB nichts gemacht hätte?

Das glaube ich nicht, dann hätte die Politik handeln müssen. Ich weiß wohl, dass diese Entscheidungen für die Politik schwierig sind. Aber es ist nun mal Aufgabe der Politik, nicht der Notenbank, über eine Umverteilung von Solvenzrisiken in Europa zu entscheiden. Indem die Notenbank handelt, nimmt sie den Druck von der Politik - das ist riskant.

Schlittern wir am Ende in eine Krise des Papiergeldes?

Nein. Aber Papiergeld beruht auf Vertrauen. Deshalb dürfen die Notenbanken keinen Zweifel an ihrer Stabilitätsorientierung aufkommen lassen.

Sie haben vor der Gefährdung der Stabilität des Euro gewarnt. Von Inflation ist aber weit und breit nichts zu sehen.

Ich habe nie gesagt, dass die Inflationsrate in diesem oder im nächsten Jahr das Problem sein würde. Es geht vielmehr um das Vertrauen in die Fähigkeit und in den Willen der Notenbank, Preisstabilität mittel- und langfristig zu sichern.

Wann wird Inflation zum Problem? In zehn Jahren?

Kurzfristig haben wir eher abnehmende Inflationsrisiken. Das hängt mit der Rezession in den Peripherieländern zusammen. Zusätzlich ist der Ölpreis rückläufig. Das kann sich allerdings ändern, insbesondere wenn die Konjunktur wieder anzieht und die Zinsen erhöht werden müssten.

Und dann wird es für die Geldpolitik im Schlepptau der Finanzpolitik schwerer, für Stabilität zu sorgen?

Die Verstrickung mit der Finanzpolitik macht es schwerer, uns auf unsere eigentlichen Aufgaben zu konzentrieren.

Wer mit der Inflation flirtet, wird von ihr geheiratet?

Mein Vorgänger Otmar Emminger hatte mit diesem Ausspruch sehr recht. Wenn jetzt wieder darüber diskutiert wird, ob man nicht ein bisschen mehr Inflation zulassen sollte, halte ich das für brandgefährlich. Die Inflation kann bereits dann zulegen, wenn sich die Inflationserwartungen erhöhen, selbst wenn per se kein Nachfrageanstieg vorliegt. Und das Gerede über höhere Inflationsziele fördert genau solche Befürchtungen.

Heute schon sind die Zinsen auf sichere Anlagen niedriger als die Inflation. Das ist eine schleichende Vermögensvernichtung, die man finanzielle Repression nennt.

Die gegenwärtigen negativen Realzinsen würde ich noch nicht als finanzielle Repression bezeichnen. Dazu käme es aus meiner Sicht erst, wenn der Staat auf die Anlageentscheidungen der Sparer Einfluss nehmen würde und Zwang ausübte. Aber negative Realzinsen sind Folgen der expansiven Geldpolitik in der Krise, die der Sparer unmittelbar spürt.

Wenn wir die Krise bewältigt haben, gibt es auch wieder positive Realzinsen?

Davon gehe ich aus. Negative Realzinsen sind nicht die Norm.

Als Nächstes soll jetzt noch die Haftung für die europäischen Banken vergemeinschaftet werden. Das nennt man Bankenunion. Was halten Sie davon?

Das ist nicht mein Verständnis der Bankenunion. Es sollte darum gehen, den Teufelskreis aufzubrechen, dass wankende Staaten und trudelnde Banken sich gegenseitig schwächen. Eine strengere gemeinsame Aufsicht, ein Abwicklungsmechanismus für Banken und eine bessere Regulierung müssen dafür sorgen, dass Schieflagen bei den Banken möglichst verhindert werden und sich, wenn sie eintreten, nicht auf die öffentlichen Haushalte auswirken. Dazu gehört auch, dass im Problemfall zunächst Eigentümer und Gläubiger haften und nicht der Steuerzahler. Außerdem dürfen nationale wirtschafts- und finanzpolitische Fehlentwicklungen nicht einfach über die Bankenunion auf die Steuerzahler der anderen Länder abgewälzt werden. Das wäre dann die Einführung der Gemeinschaftshaftung durch die Hintertür.

Was aber dann?

Wir müssen zum Beispiel dafür sorgen, dass die Bonität der Staaten nicht wie bisher auf die Banken durchschlägt und so die Finanzstabilität gefährdet wird. Deshalb rege ich an, den Banken eine Obergrenze vorzuschreiben, wie viele Staatsanleihen sie halten dürfen - und dass sie Staatsanleihen, wie andere Anlagen auch, mit Eigenkapital unterlegen. Davon ist in der Politik derzeit leider wenig zu hören.

Was kommt in der Euro-Krise im neuen Jahr auf uns zu?

Ich rechne mit einer graduellen Erholung - wenn die Reformen in den einzelnen Ländern auch umgesetzt werden. Zu den Risiken gehört daher, dass einzelne Länder sich verabschieden von diesem Konsens. Das ist keine abstrakte Warnung.

Wie hoch ist das Risiko, dass Italien, möglicherweise geführt von Silvio Berlusconi, das Sparen drangibt?

Die Einwürfe Berlusconis illustrieren, dass der Weg, den Europa gehen muss, in der politischen Diskussion immer wieder in Frage gestellt wird. Am Ende entscheidet die nationale Politik. Aber ich setze darauf, dass Italien seinen Reformkurs fortsetzt.

Sie haben erkennbar ein anderes Rollenverständnis als Ihr Vorgänger. Wenn der Ökonom Albert Hirschman sagt, man könne gegen Missstände entweder mit Abwanderung („Exit“) oder mit Widerspruch („Voice“) reagieren, dann hat Ihr Vorgänger den Exit gewählt, während Sie zwar protestieren, aber bleiben. Warum?

Ich habe großen Respekt vor der Entscheidung Axel Webers. Im Unterschied zu ihm wusste ich aber, als ich mein Amt antrat, was auf mich zukommt. Im Übrigen: Wenn alle Bundesbankpräsidenten die „Exit“-Strategie wählen würden, was würde das bringen? Dann würden alle solange zurücktreten, bis einer kommt, der alles abnickt.

Mit Ihrem Widerspruch gegen die vermeintliche Euro-Rettung sind Sie zum Gesicht einer außerparlamentarischen Opposition geworden, nachdem es im Parlament keine Opposition zur Euro-Rettung gibt.

Für mich geht es darum, den Euro als stabile Währung zu erhalten und nicht darum, politischen Ansichten ein Gesicht zu geben. Es gibt gute ökonomische Gründe für die Positionen, die ich als Bundesbankpräsident vertrete.

Wenn man mit Leuten redet, sagen viele, in die Politik hätten sie kein Vertrauen mehr - aber in den Bundesbankpräsidenten. Sie sind deren Held.

Es ist gut, wenn die Menschen Vertrauen in die Bundesbank haben. Aber ich erfülle nur meine Aufgabe und strebe keine Heldenrolle an.

Steht die Kanzlerin noch hinter Ihnen?

Auch die Kanzlerin betont immer wieder die Stabilitätsgrundlagen der Währungsunion. Wir Notenbanker brauchen jedoch unseren eigenen Kompass. Wir haben unsere Unabhängigkeit bekommen, um Kurs zu halten, selbst wenn die Politik einmal nicht hinter uns steht.

Sie haben im vergangenen Jahr mit Rücktritt gedroht?

Das stimmt nicht und wäre auch nicht mein Stil. Ich sehe meinen Platz an der Spitze der Bundesbank.

Wo hatten Sie mehr Macht: Früher als Berater der Kanzlerin oder heute als Präsident der Bundesbank?

In meiner jetzigen Aufgabe trage ich mehr Verantwortung als früher, stehe aber auch deutlich mehr im Feuer für meine Positionen.

Schlafen Sie schlecht in Krisenzeiten wie diesen?

Natürlich treibt es mich um, wie es mit Europa weitergeht und welche Rolle die Notenbanken künftig haben. Trotzdem muss man auch loslassen können. Wenn mir das zu Hause mal nicht gelingt, erinnern mich meine Kinder daran, dass das Leben nicht nur aus der Euro-Krise besteht.

Sagen Sie uns und unseren Lesern, wie das neue Jahr wird.

Sie erwarten hoffentlich keine Prognose zum Wahlausgang, und Wirtschaftsprognosen sind derzeit noch schwerer als sonst. Aber insbesondere zum Jahreswechsel sollte man ja optimistisch sein. Insofern bin ich zuversichtlich, dass wir nach einer kurzen Durststrecke wieder auf Erholungskurs kommen - in Deutschland und im Rest der Welt. Wichtig ist vor allem, dass der deutsche Arbeitsmarkt stabil bleiben dürfte. All das basiert allerdings auf der Annahme, dass die Reformen in den Krisenländern vorankommen.

Maastricht hat 60 Prozent Staatsverschuldung als Höchstgrenze definiert. Heute sind wir im Euroraum im Schnitt bei 90 Prozent. Wird Maastricht je wieder eingehalten werden?

Da reden wir nun leider wirklich über Fernprognosen.

Zurück zu Maastricht oder Aufbruch zu mehr Europa?

Die Frage muss die Politik beantworten. Nach meinem Gefühl gibt es gegenwärtig allerdings keine Bereitschaft, den großen Sprung in eine politische Union zu machen. Das heißt für mich, dass wir uns weiter auf dem Boden des geltenden Rechts der Maastrichtverträge bewegen und in diesem Rahmen Haftung und Kontrolle wieder in die Balance bringen müssen.

Weidmann oder Draghi? Wie viel Euro-Rettung ist möglich, ohne die Stabilität des Euro zu gefährden? Das ist die Streitfrage in der Geldpolitik. Als Akteure treten auf: Mario Draghi, 65, der Präsident der EZB, und Bundesbank-Chef Jens Weidmann, 44, sein Widerpart. Scheinbar hat Draghi die Märkte beruhigt, doch die F.A.S.-Leser sind skeptisch: Sie fürchten, Draghi bringt Inflation.

Das Gespräch führten **Rainer Hank** und **Christian Siedenbiedel**.

Quelle: F.A.S.

63/117

Charlemagne

All hope not lost

The euro has survived 2012, but it will be a long time before it is cured

Dec 22nd 2012 | from the print edition



THE doom merchants are eating their words. Greece has not left the euro. The currency has not collapsed. And neither seems likely in 2013. Willem Buiter of Citigroup has revised his odds on “Grexit” down from 90% to 60%. This week S&P, a ratings agency, even raised Greece’s credit rating by six notches to B-. Yet the pessimists did not overestimate the euro’s problems, so much as underestimate the political will to do enough to stop a euro break-up—even if not enough to repair its structural flaws.

The European Union’s Maastricht treaty created a single currency without a single state. Each country was meant to be responsible for its own budget and economic policies with rules (often ignored) to stop them running up too much debt. There were to be no bail-outs, either overt (by members) or covert (by the European Central Bank). Yet gradually cleaning up fiscal messes has become more of a collective endeavour. If it were in Dante’s Inferno, the euro would have moved from the eighth circle (the penultimate one), when flatterers are immersed in excrement, to the third, where foul stuff rains down on gluttons. Salvation is still a long way off.

It helps that the temporary rescue fund used to help Greece, Ireland and Portugal has become permanent, in the shape of the European Stability Mechanism (ESM). It helps, too, that the euro zone has recommitted itself to saving its first sinner, Greece. Long-delayed bail-out money is being released. Fiscal targets have been relaxed. And the terms of Greece’s loans have been eased. At the right moment (after the German election) this soft restructuring will probably turn into a hard debt-write-off.

The troubles in Spain and Italy have also prompted a sharing of responsibility (and risk) for banks. Just six months after euro-zone leaders promised to break the “vicious circle between banks and sovereigns”, finance ministers on December 12th approved the legal framework for a single bank supervisor (centred on the European Central Bank). Once it is running, the ESM may be allowed to recapitalise banks directly. The next

step is a joint resolution mechanism to wind up or restructure troubled banks, with a common pot of money (if not yet a joint deposit-guarantee system). Banking union may seem to critics to be going slowly, but by EU standards it is being created at lightning speed.

The euro zone is also moving beyond its obsession with ever-tougher fiscal rules. Next June leaders will debate proposals for countries to sign “contracts” committing them to make structural reforms, in which needy countries could be offered money to ease the path for painful changes.

Yet by far the most important action in 2012 was the pledge by the ECB president, Mario Draghi, to do “whatever it takes” to stop the euro breaking apart. The ECB said it was ready to buy short-dated bonds of troubled countries in “unlimited” amounts, so long as they submit to reforms and the ESM also buys bonds. Borrowing costs for Italy and Spain have since fallen sharply.

All this is welcome, but there is a danger of complacency. Start with the ECB. Its commitment is still untested. Will Spain seek help? Would Germany agree? Is there a hidden limit to the ECB’s intervention? If the euro zone seems reluctant to use the ECB’s big bazooka, the markets may turn again.

For now, greater stability should help the economy. But the ECB says the euro zone went into recession in late 2012 and will recover only slowly in late 2013. The recession is deeper in the troubled periphery and unemployment is still rising (more than a quarter of workers and half of youths are jobless in Spain and Greece). Unless growth returns, deficits will be harder to close, the debt burden will grow and banks will stay vulnerable.

Prolonged recession and high unemployment also raise fears of a political backlash. Greece is always wobbly. Uncertainty has returned to Italy. Its technocratic prime minister, Mario Monti, is stepping down and a new election is likely in February. His predecessor, Silvio Berlusconi, has returned to the fray, denouncing spending cuts and “German hegemony”. The rescue of Cyprus, to be finalised in early 2013, will be tricky. The amounts involved are small, but may be too big for it to repay. Many others in the EU dislike Cyprus’s low taxes and dubious links to Russia.

A better road map, anybody?

The fate of the euro will depend as much on the choices of creditor states, above all Germany. Its approaching election in the autumn of 2013 will make Mrs Merkel increasingly cautious about staking more German money.

French calls for joint eurobonds were rejected months ago. An alternative French idea, to create a central euro-zone budget to help counter economic shocks, was killed off at the European summit on December 13th-14th. These and other proposals were part of the European Commission’s “blueprint” for long-term reforms (including treaty change) and a similar but more limited “road map” drawn up by Herman Van Rompuy, president of the European Council. At the height of the crisis, EU leaders felt it necessary to set out a long-term vision to reassure markets. Now that the pressure is off, the vision has gone as well.

“It’s not dead. It’s in hibernation,” says Alexander Stubb, Finland’s Europe minister. But he admits that the prospect of a big treaty change to re-engineer the euro is receding. For the foreseeable future, the euro zone will be based more on a modified Maastricht system, with tougher rules, more money in extremis and a more active central bank, than on true fiscal federalism.

This may be enough for the euro to survive, but not to thrive. At best, recovery in peripheral countries is likely to be slow, even if they have undergone deep reform. At worst, the lack of a long-term plan will invite markets to push the euro back down the rungs of financial hell.