

thing else was going on in the background, that some economic disaster, or something very close to it, which would have exposed the EU governments, was covered over with the campaign against Austria. The campaign, which was officially advertised as a move to “emphasize EU unity” (in other words, discipline), is crumbling, as 7 of the 15 EU governments no longer back the boycott.

Nominally, the three biggest EU countries are still backing the boycott, but the German position has grown increasingly unstable: More and more Germans are asking, why should they support the EU campaign against Austria, while the EU is not doing much good, as can be seen with the collapse of the euro. The fact that the German government does not want to be the first to call for the end of the boycott, is the only thing so far preventing Germany from joining the seven EU dissident governments on the Austria issue.

France has responded to this change of mood in Germany, by offering a new exclusive partnership scheme to the Germans, under the title of a “new core Europe,” which would, they claim, revitalize the EU generally, through initiatives from the core of its six original founding nations—France, Germany, Italy, and the three smaller states of the Netherlands, Belgium, and Luxembourg.

It is doubtful whether this new propaganda campaign, which is building on nostalgia for the long-buried founding spirit of the original European Economic Community of 1957, will achieve much in Germany. “Europe” is becoming anathema among Germans, because everything they hear about European integration either turns out to be an empty promise, such as the euro, or means more sacrifice to stabilize budgets (which is what the 15 EU finance ministers just agreed to in Brussels on May 8).

Ironically, what European news wires reported on May 4, in commentaries on the volatile EU financial markets, is what at least two-thirds of Germans believe as well: “Unless the European Central Bank performs a miraculous rescue mission, anyone on board the euro may as well be on board the *Titanic*.” This assessment, by a senior official of the Royal Bank of Scotland, reported on BBC on May 4, will, no doubt, remind many of the fact that, long before the introduction of the euro in January, the populations of Germany and other EU countries were warned by the LaRouche movement that the new artificial currency project would end in failure.

Euro Critics Rediscovered

Now, other euro critics, who have been ignored by the establishment media for two years, have all of a sudden been rediscovered in the wake of the most recent EU currency crisis. Now, almost daily, one or more prominent critics of the EMU project are in the news in Germany. For example, on May 5, Prof. Wilhelm Hankel, a former board member of the Kreditanstalt für Wiederaufbau, said in interviews that the “beginning of the end of the European Monetary Union is here.” The next day, Prof. Wilhelm Nöling, a former member

of the German Central Bank Council, as is Hankel, said that the euro is doomed to fail, and that the German government should keep the deutschemark as a fall-back option. Nöling said that despite all the supranational EU structures, the individual member governments are sovereign enough to suspend the euro and the monetary union and decide for something else; they could even restore the former European Monetary System, which preserved much more national sovereignty in financial and economic affairs for member governments than does the EMU, which replaced the EMS at the beginning of 1999.

The EU governments hate this kind of public debate on alternatives to the EMU and the euro, but the debate has begun to run out of their control. And, whereas what some euro critics are presently saying, undoubtedly is a big nuisance for the governments and their propagandists, the bigger nuisance is now just around the corner: Once people start debating alternatives, the more serious among them will start debating the Lyndon LaRouche’s proposal for a New Bretton Woods system.

Danish Parliamentarian Backs New Bretton Woods

Mogens Camre, a Member of the European Parliament from the Danish People’s Party, called for convening a New Bretton Woods conference, to defend nations against monetary speculation, in a letter to the editor in the May 5 Danish newspaper *Berlingske Tidende*.

Under the title “The Euro Does Not Safeguard Us,” he writes: “It is very clear that the . . . euro does not create a safeguard against monetary speculation; on the contrary, the greatest speculation in the world today is precisely against the euro. In the world as a whole, there is great economic imbalance and therefore periodic financial crises, which hurt all, not least the poor countries. Speculation is greater than ever, as a result of there not being international regulation of money markets—freedom has led to casino conditions. The financial flows reach an amount of \$300 trillion a year, while the total GDP is ‘only’ about \$40 trillion. That is totally unsustainable.

“There is need of a ‘New Bretton Woods conference,’ where the international community adopts new regulatory mechanisms, which can both stop a speculative economy without material content, and can spur all countries to make the necessary changes in the structures of their societies, without which globalization will definitely take power away from democracies.”