

# European Economists Say Abandon the Euro

April 28—In a targeted intervention against the euro, 14 prominent economists—7 French and 7 German—have demanded “an end to the euro experiment.” The economists’ call coincides with LaRouche-ally Jacques Cheminade’s powerful intervention in the French Presidential campaign, and the growing resistance to the EU’s planned European Stability Mechanism (ESM) in Germany, as well as the with April 26 reprinting of an article by anti-ESM fighter, Bundestag member Frank Schäffler, on how to separate bankrupt banks, (“Let the banks go bust”), in the Swiss financial daily *Neue Zürcher Zeitung*. The article originally appeared in September 2011 in the *Frankfurter Allgemeine Zeitung* (FAZ).

The call of the 14 professors and managers was reported today by major German and French press, including FAZ in Germany and *Marianne* in France. The “Appeal to the Governments of the European Union” was worked out in Düsseldorf on April 27, and in a meeting last year in Lyon.

The declaration is limited, since it does not explicitly identify the debts of banks and speculators as the root cause of the problem; nor does it address the need for bank reorganization or Glass-Steagall, or major projects to rebuild the real economy. But it strongly attacks the “global financial oligarchy,” which is dictating policies to governments and intentionally destroying the foundations of life for the people. It says, in part:

“The economists call on their governments to propose to other member countries to put an end to the euro experiment and to take the following measures:

- “replace the euro with national currencies, with each state retaining all its prerogatives, while certain countries may reach bilateral or multilateral agreements to pool their currency;
- “create a new European monetary system, having a European unit of account, equal to the weighted average of the national currency units;

- “list up-front the desired parities of the national currencies to that unit of account, parities calculated so as to limit speculation, restore the competitiveness of *all* member states, ensure balanced trade among them, and reduce unemployment;

- “ensure that the actual exchange rates of the national currencies will then be stabilized within a fluctuation band to be determined;

- “convert internal prices and wages in each country, as well as bank assets on the basis of one euro for each national currency unit;

- “convert, by applying the same rule, the public debt of all the euro countries into their new national currency;

- “convert international private loans and debts into the European unit of account.”

## ‘Have the Courage To Tell Your People’

The statement starts off with a quote from the German poet Heinrich Heine (1797-1856), which can be roughly translated as “You should have the courage to tell your people, when the hour has arrived.” “Thirteen years since the introduction of the euro,” the statement continues, “it is obvious, that the euro currency experiment not only has not fulfilled its promises, but that its continuation will even lead into chaos.”

Paraphrased, the declaration says: Instead of prosperity, there is economic decline and rising unemployment; instead of fiscal discipline, state debts have increased irresponsibly, which was not prevented by painful cuts; instead of better economic integration, differences between countries have increased, which has hurt the harmonious development of the internal European market. Instead of further integration of peoples, hostility between debtor and creditor countries is growing; instead of further democratic development, we see that decisions are imposed upon people, in which they have no say and which they reject.

The seven German signers are Professors Wilhelm Nölling, Joachim Starbatty, Karl Albrecht Schachtschneider (who have opposed the euro since its inception, and filed suit against it), Dieter Spethmann (who has sued against the euro rescue packages), Wolf Schäfer, Rolf Hasse, and Bruno Bandulet. They are described as “liberal.” Some of the seven French signers are “protectionists”: Jean-Luc Gréau, Philippe Murer, and Gerard Lafasy.