4-001

AUSSCHUSS FÜR WIRTSCHAFT UND WÄHRUNG
MONETÄRER DIALOG MIT HERRN JEAN-CLAUDE TRICHET,
PRÄSIDENT DER EZB
(gemäß Artikel 284 Absatz 3 des EG-Vertrags)
BRÜSSEL, DONNERSTAG, 30. JUNI 2011

COMMITTEE ON ECONOMIC AND MONETARY AFFAIRS
MONETARY DIALOGUE WITH JEAN-CLAUDE TRICHET,
PRESIDENT OF THE ECB
(pursuant to Article 284(3) of the EC Treaty)
BRUSSELS, THURSDAY, 30 JUNE 2011

COMMISSION ÉCONOMIQUE ET MONÉTAIRE

DIALOGUE MONÉTAIRE AVEC M. JEAN-CLAUDE TRICHET,

PRÉSIDENT DE LA BCE

(conformément à l'article 284, paragraphe 3, traité sur le fonctionnement de l'Union européenne)

BRUXELLES, JEUDI 30 JUIN 2011

4-002

IN THE CHAIR: SHARON BOWLES

(The meeting opened at 9.15)

4-003

Chair. – Good morning, everybody. I have to extend my apologies for the fact that I will have to leave the meeting because I have to attend a trilogue on economic governance.

We now move on to the monetary dialogue. The last monetary dialogue with the President of the ECB was held on 21 March and the next meeting is tentatively arranged for 19 September.

4-004

Jean-Claude Trichet, *President of the European Central Bank***. –** Madam Chair, honourable Members, it is a pleasure to be back in Parliament to meet with your committee for our regular exchange of views.

Once again, our meeting comes at a time when important decisions are being taken and others are pending. Of particular concern is the conclusion of the legislative procedure on the economic governance package.

4-005

Je tiens tout d'abord à saluer les efforts continus du Parlement européen et du Conseil afin de rapprocher leurs positions sur le paquet de gouvernance économique.

Comme vous le savez, le Conseil des gouverneurs aurait souhaité que le Conseil européen du 24 juin dernier puisse faire un geste d'ouverture envers le Parlement européen sur ce dossier. Le principal point de désaccord - l'extension de la majorité qualifiée inversée dans le volet préventif du Pacte de stabilité et de croissance - est d'une grande importance. La zone euro a urgemment besoin d'un cadre de gouvernance économique renforcé et ambitieux. La crise actuelle démontre, de manière irréfutable, les conséquences néfastes de politiques budgétaires et économiques malsaines.

4-006

In der aktuellen Lage wäre eine Einigung besonders begrüßenswert, um deutlich zu machen, dass die richtigen Lektionen aus der Krise gezogen werden.

4-007

Let me now turn to the economic and monetary developments in the euro area. First, since our previous meeting in March, we have adopted a number of orientations. Let me note that we are now in a purdah period, as the next Governing Council meeting will take place on 7 July. This means that nothing that I will say is intended to reflect our future monetary policy decision of 7 July, or be interpreted as such.

Incoming information since I last spoke to you has confirmed a positive underlying momentum of economic activity in the euro area. We expect the continued expansion of the world economy and domestic demand from the private sector to be the main driver of economic growth in the euro area. The latest Eurosystem staff macroeconomic projections are in line with this assessment. They foresee the economy growing between 1.5% and 2.3% for 2011 and between 0.6% and 2.8% in 2012. In our view, the risks to this outlook remain broadly balanced in a context of elevated uncertainty.

As regards price developments, we are observing continued upward pressure on prices, especially in the earlier stages of the production process. Inflation in the euro area stood at 2.7% in May, after 2.8% in April. The inflation rates seen over the past few months largely reflect higher energy and commodity prices. Going forward, inflation is likely to stay clearly above 2% over the months ahead, mainly due to energy and commodity prices.

The Eurosystem staff projections indicate inflation ranging between 2.5% and 2.7% for 2011, and between 1.1% and 2.3% for 2012. It is of paramount importance that the current relatively high inflation rates do not translate into second-round effects, via higher wages and price-setting, and thereby do not lead to broad-based inflationary pressures.

Risks to the medium outlook for price developments continue to be on the upside. Notably, energy prices could increase faster than currently expected, and indirect taxes and administered prices may be raised faster, with a view to reducing budget deficits. In addition, increasing capacity utilisation may exert stronger upward pressure on domestic prices.

As regards our monetary analysis, we see the underlying pace of monetary expansion gradually recovering. At the same time, monetary liquidity remains ample. This has the potential to accommodate price pressures.

We are strongly determined to secure that inflation expectations remain firmly in line with our aim of keeping inflation rates below, but close to, 2% over the medium term.

Against this background, the Governing Council raised the key ECB interest rates, as you know, by 25 basis points in April, in order to adjust the very accommodative monetary policy stance in the light of upside risks to price stability. We have left rates at this level since then. At the same time, as I said in the press conference after the last Governing Council, we see the monetary policy stance as still accommodative, and risks to price stability on the upside. Accordingly, I said that we are in a state of strong vigilance and that we stand ready to act in a firm and timely manner to avoid recent price developments giving rise to broad-based inflationary pressures in the medium term.

As regards our non-standard measures, the Governing Council earlier this month decided to maintain its

fixed-rate tender procedures, with full allotment in its refinancing operations, up to the third quarter of 2011.

Let me now turn to the topic of fiscal consolidation. In a monetary union, the central bank when setting interest rates has to take an area-wide perspective. I would say in the same manner the US Federal Reserve does not and cannot tailor its interest rate to the specific economic conditions in the individual US states.

Setting the policy rate with a clear focus on the euro area as a whole does not, however, mean ignoring the diversity in financial conditions. Since the financial crisis erupted, the ECB has adopted a number of non-standard measures to foster, as much as possible, a smooth functioning of monetary policy transmission throughout the euro area.

The current major challenges faced by a few euro area countries are mainly the result of some governments not conducting sound policies and not implementing reforms that would benefit their citizens and the European public as a whole. It is essential that euro area countries fully assume the responsibilities at the national level that derive from their participation in the euro area. Past experiences of fiscal consolidation episodes demonstrate the long-term benefits of reducing sizeable fiscal imbalances.

There are at least three reasons why well-designed fiscal consolidation is beneficial in the current circumstances. Firstly, when accompanied by appropriate structural reforms, it promotes long-term growth. Secondly, for those economies with large fiscal imbalances, fiscal retrenchment is indispensable for bolstering confidence. And thirdly, for all economies, it helps in creating buffers that would be essential for dealing with unforeseen events, if they come.

It is also for this reason that the ongoing negotiations on the governance package should produce, in our view, an ambitious outcome. I have emphasised time and again why we are very much in agreement with the European Parliament on this – on the need for a quantum leap in economic governance through the legislative package currently being discussed.

At this stage, I would like to recall two points. First, we should not be content with a stronger Stability and Growth Pact only at the later stages of an economic deficit procedure. We need to halt any fiscal excesses early on and correct them. The obvious way is a higher degree of automaticity early on in the procedures, that is – and again we are back to what is presently being discussed – more reverse qualified majority voting in the preventive arm of the Pact, and therefore the prospect of more timely sanctions, possibly of a reputational nature.

Second, we would benefit considerably from an equally ambitious macroeconomic imbalances framework that detects imbalances early on, through a well-focused and rigorously applied scoreboard, and then corrects them, again in a timely fashion. Here, we need to focus on those countries that ultimately pose a risk to other euro area countries through, in particular, persistent and excessive competitiveness losses.

Let me rapidly turn to the current sovereign debt developments. As you know, at the euro area level, we see that fiscal consolidation in many countries is ongoing, and will, according to the European Commission's Spring 2011 Forecast, bring the euro area general government deficit down to 3.5% in 2011. This is an encouraging prospect, particularly by international comparison. Also for the current year, the euro area fiscal deficit is, as we all know, somewhat less than half of that of the US or of Japan. However, selected euro area countries are currently still facing – as we know – high debt and deficit levels.

The ECB has always made it clear that the best way to cope with the current sovereign debt positions is a determined and disciplined implementation of agreed fiscal consolidation paths and the structural reform agenda to promote medium term growth. For the euro area countries under an EU/IMF programme, a determined implementation of those programmes is of the utmost importance to get back to a sound economic situation.

This call has been echoed by the European Council, which at its recent meeting urged the national authorities, especially – but not only – in Greece, to continue implementing rigorously and with the highest resolve the necessary adjustment efforts to put the country on a sustainable path. To that end, national unity and cross-party consensus are essential.

As to the possibility of debt action, let me recall what I have said many times on this matter, on behalf of the Governing Council: we advise against all concepts that are not purely voluntary or that have elements of compulsion. We call for the avoidance of credit events and selection default or default.

Let me add that I am from time to time surprised, in the public debate, by the narrow view of private sector involvement that is generally taken. We should not forget that private capital is mobilised when we embark on privatisation. Privatisation is a very good way of mobilising private capital and it is something that has to be encouraged considerably, particularly in the case of Greece. It is an effective way of mobilising private capital and it has positive consequences, not only on the financing of the country, but also in terms of positive structural effects on growth and employment. Finally, the private sector involvement that everybody is aiming at in all cases is to go back as soon as possible to private-sector spontaneous market financing.

4-008

Chair. – We will now move forward to the questions.

4-009

Burkhard Balz (PPE). – Herzlichen Dank, Frau Vorsitzende! Herr Präsident! Bevor ich meine Frage stelle, möchte ich Ihnen noch sehr herzlich – auch im

Namen der EVP-Fraktion – zur Verleihung des Karlspreises gratulieren. Ich glaube, dass diese Verleihung an Sie eine wunderbare Sache an einen großen Europäer war.

(Beifall)

Jetzt zu meiner Frage: Ich möchte noch einmal auf das Thema der Beteiligung Privater eingehen. Wie bewerten Sie – vielleicht etwas ausführlicher – den Vorschlag der französischen Regierung zur Einbeziehung der Privatgläubiger? Und hier interessieren mich vor allem zwei Fragen. Einmal: Haben Sie schon ein Feedback zur Reaktion der Ratingagenturen auf die technischen Details, weil das doch ein massiver Punkt bei der ganzen Sache ist? Wolfgang Schäuble hat gestern bei einer Finanzkonferenz in Berlin massiv dafür geworben, den Einfluss der Ratingagenturen einzugrenzen. Das ist übrigens auch meine Sichtweise. Wenn man sieht, dass Mitarbeiter von Fitch in der New York Times Leserbriefe schreiben, wo drin steht, dass jegliche Form von Fristentransformationen auch ein Kreditereignis darstellen können, dann macht einen das doch schon sehr nachdenklich. Das ist der erste Punkt.

Die zweite Frage: Widerspricht dieser Vorschlag der Beteiligung Privater nicht dem Grundgedanken von „Moral Hazard", da ja Privatgläubiger bei dieser Lösung überproportional gut abschneiden?

Und letzter Punkt: Könnte man daraus nicht auch ableiten, dass dadurch Präzedenzfälle für zukünftige Umschuldungen gebildet werden?

4-010
Jean-Claude Trichet, *President of the European Central Bank***. –** Thank you very much for your very kind words, which are very moving for me and for the ECB.

On the first point, let me say that, for the Governing Council of the ECB, this issue of discussing voluntary private sector involvement between the governments and the private sector institutions is really the responsibility of the governments. We are following that very closely. As I said, we had our own advice, which is not to embark on compulsory operations and to avoid selective default and credit events, but this is the responsibility of the governments. At this stage we do not yet have a position from the governments. We could examine that after this discussion. I will say that at this stage we are very alert and we are following what is going on, but I cannot give you a precise judgement or advice on what is going on. I know that there are a number of issues that are being examined, including several concepts about the nature of this PSI.

On the second point, I think what is very important is to refer to the 28 November agreement between the members of the Euro Group. They made public their doctrine as regards private sector involvement and this text – which is very important and which has been also published at the level of Heads of State and Government as an annex to their statement after the 28 November Accord – says very clearly that you have several cases, as is the case at global level with the IMF doctrine, so in most cases the presumption is that with the appropriate adjustment you will go back relatively rapidly, in the medium term, to spontaneous market financing. For instance this was done in the case of the Asian crisis, where all countries except Indonesia could move to spontaneous market financing. There was no private sector involvement in the sense of the restructuring of the debt.

In some cases you can see that the judgement of the international community is that unfortunately this is not possible. Again I would refer you very clearly to the international doctrine that the Euro Group referred to explicitly at the end of November.

4-011
Edward Scicluna (S&D). – Mr Trichet, my personal greetings to you. I leave the greetings of my group to my coordinator Mr Bullmann later on. My question is the following.

If we look back at how the EU has dealt with the crisis, it has used a lot of improvisation – after all, we did not have a plan for this – and it has been criticised because every time it was a little remedy coming too late, concocted over the weekends.

If we were to start afresh – after all, next week we will be voting for the economic governance package which is meant to achieve that for the future – with the advantage of hindsight what would you suggest should be included? This is not with regard to crisis prevention, because that is not an easy part – but at least we are agreed on it – but with regard to the more difficult crisis-prevention parts and what we in our group feel is the absence of growth-related ideas. These solely rest on fiscal consolidation, which is fine, but we know that in other countries this was accompanied by devaluation and lower interest rates for a country to move around when it is in such a position.

4-012
Jean-Claude Trichet, *President of the European Central Bank***. –** You have concentrated your question on crisis management and not on crisis prevention, but crisis prevention is absolutely of the essence. The main lesson that we can draw from the present events is that we have to reinforce formidably. This is very much what is being discussed at present, and you know to how great an extent we share the views of Parliament on this. We need to considerably improve crisis prevention.

Imagine that, in 2004 and 2005, major countries – and I say, sadly, all the big countries – were in favour of weakening the Stability and Growth Pact and of dismantling the main element of the Pact. They were more or less supported by a number of economists. The Stability and Growth Pact was supposed to be a straitjacket – too strait a jacket. We can see now what it means to have considered, for a certain period of time, the Stability and Growth Pact and surveillance of fiscal policy to be too strait a jacket.

Since 2005, the ECB has been making the point that we have to very carefully follow unit labour costs and

competitive indicators and imbalances within the euro area in particular. Of course, this is also the case at the level of the 27 Member States. This is now only accepted with the benefit of hindsight following the crisis, but we know that the difficulties we have today are twin difficulties – fiscal policies on the one hand and loss of competitiveness on the other hand.

As regards crisis management, we have asked ourselves very clearly – the EFSF and the ESM – to be as flexible as possible. Simultaneously, we are calling for the adjustment to be as solid and as credible as possible because the rule of the game is to regain confidence. Confidence is a concept which comes as a block. You must have the confidence of households and of entrepreneurs, investors and savers. That depends very much on the decisions you take, not only on the fiscal side, but also on the structural reforms and on all the reforms that permit the elevation of growth potential. And we would again call for a maximum level of flexibility for the instruments which have been created to deal with the crisis. Our advice on this has in many cases not been followed and we regret that, but the decision has to be taken by the appropriate institutions.

4-013
Sylvie Goulard (ALDE). – Madame la Présidente, Monsieur le Président, une remarque d'abord. J'ai été frappée, ces dernières semaines, par la simultanéité des négociations sur la gouvernance économique et le processus de désignation de votre successeur.

On a un peu l'impression que, pour les États membres, il y a les règles non écrites qui comptent énormément, et pour lesquelles on est prêt à se battre et même à peut-être un peu égratigner l'indépendance de la Banque centrale, et puis il y a les règles écrites où, par contre, on essaie d'imaginer des choses qui permettent de ne pas les respecter et d'expliquer.

Je tenais d'abord à dire ici, devant vous, comme je l'ai fait d'ailleurs le jour de l'audition de Michel Barnier, que toute appropriation des postes communautaires avec un drapeau national me semble être une atteinte à l'esprit des traités et même sans doute à leur lettre. On peut rechercher des équilibres, mais je ne trouve pas normal qu'on ait fait pression sur un membre du directoire qui, en plus, avait fait un travail extrêmement reconnu, notamment sur la question du défaut et des dettes souveraines.

Ceci posé, sur les règles écrites, puisque malheureusement on fait des règles écrites, c'est d'ailleurs celles que les gens ont le moins envie de respecter, vous avez déjà répondu en partie dans votre intervention, et je vous en remercie. Je vous remercie de souligner qu'on ne peut pas se passer de la prévention et qu'il faudrait plus d'automaticité.

Vous avez entendu ce qu'a dit M. Lipski la semaine dernière aussi. Est-ce que vous pensez que, si nous n'avons pas ce genre d'élément, eh bien il vaut mieux rester avec le Pacte tel qu'il est? Parce que entre le *quantum leap* et le *lip service*, moi, je préfère le *quantum leap*.

4-014
Jean-Claude Trichet, *Président de la Banque centrale européenne***. –** Merci beaucoup de votre question, de vos remarques.

En ce qui concerne l'indépendance de la Banque centrale, vous savez que nous sommes *on record* pour avoir marqué de manière extrêmement claire notre indépendance. Je ne veux pas vous lasser. Lorsque les chefs d'État et de gouvernement des grands pays nous ont demandé de baisser les taux d'intérêt en 2004, nous avons dit non. Nous étions – vous vous en souvenez peut-être – alors à 2 %, quand les États-Unis étaient à 1 %. Nous avons dit non. Et nous avions *on record* la demande venant de trois grands pays, au niveau des chefs d'État et de gouvernement.

Nous avons augmenté nos taux d'intérêt à la fin de l'année 2005, en décembre, alors que dix gouvernements sur douze, à l'époque, protestaient véhémentement, publiquement. Je pourrais citer d'autres exemples de notre détermination, y compris, bien entendu, le conflit que nous eu en 2004 et 2005, comme d'ailleurs la Commission l'a eu, avec les gouvernements qui voulaient démanteler le Pacte de stabilité et de croissance.

Je suis *on record* pour avoir dit, au nom du Conseil des gouverneurs, que nous avions de très graves préoccupations sur ce qui était en train de se passer et qui, d'ailleurs, a été encore plus grave s'agissant de l'esprit que s'agissant de la lettre, comme vous avez fait référence également à l'esprit et à la lettre.

S'agissant de la négociation qui est actuellement en cours, je n'ai pas de conseil à donner. Le Parlement a pris des positions dans une situation de négociations dans le cadre du trilogue. Je suis convaincu que le Parlement poursuit une orientation qui est une bonne orientation européenne. Il me semble que l'histoire nous jugera tous. Elle portera à mon avis un jugement assez sévère sur les institutions qui auront été faibles dans la prise en compte des leçons de la crise.

Il est clair que la crise mondiale nous révèle un certain nombre de faiblesses. Ne pas les corriger aussi rapidement et aussi pleinement que possible est une responsabilité lourde, même si on voit bien qu'il y a, en effet, des tensions entre des préoccupations nationales et des préoccupations européennes. Nous sommes une institution européenne, vous êtes une institution européenne. Il n'est pas tellement étonnant que nous nous rencontrions sur des thèmes de ce genre. Nous avons toujours dit nous-mêmes, et je crois que cela correspond largement au sentiment du Parlement, que, dans le cadre du traité actuel - puisqu'il ne s'agit pas de changer le traité immédiatement, même si cela doit être envisagé à terme -, il faut aller le plus loin possible dans le renforcement du Pacte de stabilité et de croissance.

Ceci dit, je crois que je serais injuste si je disais que l'état actuel du dossier n'est pas meilleur que le précédent Pacte de stabilité et de croissance. En plus, nous avons ajouté maintenant ce pilier de surveillance des *imbalances*, des indicateurs de compétitivité, qui est un second pilier également très important. Donc, je ne peux pas dire qu'il n'y a pas eu des progrès importants, mais comparé à ces progrès importants, le fait de ne pas aller jusqu'au bout est évidemment très grave de notre point de vue, et j'espère ardemment que vous allez trouver, de manière aussi résolue que possible, une solution meilleure que la solution qui nous est actuellement proposée.

4-015
Kay Swinburne (ECR). – Mr Trichet, firstly I would like to compliment you on your stewardship of the ECB during what has been an unprecedented financial crisis, a global recession and the first crisis facing the euro in terms of sovereign solvency. Despite the problems facing the indebted euro zone currencies' economies, the euro has remained really strong throughout this period and has enjoyed the confidence of the capital markets. I think we owe you personally a debt of gratitude for your stewardship during this time.

Turning to looking forward rather than at the current crisis, there are recent reports saying that China has now greatly lowered its US Treasury allocation and is instead preferring to invest in euro-denominated bonds. Whilst foreign funding is both desirable and a reflection of the faith in the currency, one recalls the distorted effect on the US yield curve in the last decade, which led to indiscriminate buying across all maturities, pushing yields below the economic fundamentals. I guess the question really is: do you believe that this risk could re-emerge in the strong sovereign credits in Europe, and would any risk be outweighed at the moment by the benefits of investment?

4-016
Jean-Claude Trichet, *President of the European Central Bank***.** – This is a very important issue. We are living in a world which is totally open, and private investors and savers, as well as public investors and savers, are permanently analysing and judging the best investment they can make. As you know, we in the ECB never embarked on some kind of global campaign in favour of investors investing in the euro. We always considered that this was something which had to be decided on, I would say, on a decentralised basis by each investor, each saver.

Having said that, I have to say that I appreciate enormously what you have said concerning the fact that we have a confidence being clearly expressed in the euro, and I am not surprised at that. The euro area paradox is that we have some problems – and we should not be complacent in any respect vis-à-vis these problems – be they governance problems or country-specific problems, but if you take the euro area as a whole there are remarkable prospects. You have a current account which is balanced for the euro area as a whole. You have a public finance deficit which is half the public finance deficit of other major industrialised advanced economies, and you have growth which has been confirmed constantly, quarter after quarter, to be higher than what was previously expected.

For instance, I referred in the introductory statement to our latest projections. Those latest projections have revised upward our growth this year by 0.3%. And, of course, the currency has kept its value remarkably over the first 12 years, with inflation below 2% or close to 2%. This is valid for the euro area as a whole. It is a computation for the euro area as a whole, and that result, as you know, is better than any member of the euro area has produced for any 12-year period over the last 50 years. So this really is remarkable price stability, fully in line with our main goal and primary mandate.

I will not comment on China in particular. It is certainly looking at how best to optimise its own investment and its own savings, so to speak. We have exactly the same attitude vis-à-vis China as we have towards all our potential investors.

4-017
Philippe Lamberts (Verts/ALE). – Madame la Présidente, Monsieur le Président, on va parler de liquidités et de solvabilité. Vous persistez à nous dire que le problème grec n'est pas un problème de solvabilité, mais simplement un problème de liquidités. J'entends votre collègue Mervyn King qui dit exactement le contraire. Donc, je me demande parfois si vous en discutez au niveau de l'ESRB. Parfois, je me demande: "Mais, finalement, si le problème grec n'est pas un problème de solvabilité, est-ce qu'il y a des problèmes de solvabilité?" Autrement dit, qu'est-ce qui vous amènerait à déclarer un pays en état d'insolvabilité?

Et si la Grèce n'est pas en état d'insolvabilité, comment expliquez-vous les taux d'intérêt qu'aujourd'hui, elle doit payer et qu'elle devrait payer si elle retournait sur les marchés? Il y a quelque chose qui ne colle pas, parce que cela veut dire, alors, que le secteur privé reçoit des taux d'intérêt qui incluent une prime de risque pour un risque qui n'existe pas, selon vous. Moi, j'appelle cela un subside du public au privé, et donc un transfert net de richesses du gouvernement grec, du peuple grec, aux créanciers privés.

Donc, je ne comprends vraiment pas. Pour moi, il y a vraiment une inconsistance entre ce que vous dites et la réalité. Si vous pouviez éclairer ma lanterne, je vous en serais reconnaissant.

4-018
Jean-Claude Trichet, *Président de la Banque centrale européenne***.** – Je vous dirais d'abord que le succès d'un ajustement, c'est le retour à la confiance. C'est cela le succès. Comme je le disais, ce qu'on considère comme un succès au niveau mondial, c'est le moment où le marché, les investisseurs, les épargnants, spontanément, reviennent parce qu'ils ont confiance.

La confiance n'est pas tellement encouragée si vous nous incitez à avoir en permanence un débat sur le fait de savoir si nous avons affaire à un problème de *solvency* ou de *liquidity*, alors même que ceci a déjà été, au moment du premier plan grec, décidé par la communauté

internationale. C'est le jugement de la communauté internationale.

Donc, encore une fois, ce qui est sûr, c'est que s'il y a débat permanent, perpétuel, on ne fait pas ce qui est nécessaire pour le succès. Et nous avons tous intérêt au succès. La Grèce a intérêt au succès, les voisins de la Grèce ont intérêt au succès, pas simplement d'ailleurs ceux qui sont en Europe, dans la zone euro, pas seulement ceux qui sont dans l'Union européenne.

Donc, je vous encourage à considérer ce débat comme étant un débat extrêmement sérieux, et je souhaiterais que l'on puisse avoir ce débat de manière peut-être moins spectaculaire que ce que l'on a actuellement. Et puis, une fois qu'une décision est prise, je souhaiterais qu'on s'y tienne.

Par ailleurs, la question de la relation avec le secteur privé est plus complexe que vous ne le pensez. En ce moment, si les taux d'intérêt sont au niveau que vous savez, c'est aussi parce que certains se sont engagés dans des opérations qui sont mues soit par la peur, tout simplement, de perdre de l'argent, soit par quelque chose qui est tout à fait différent, à savoir la spéculation pure: gagner de l'argent parce qu'il y aurait, le cas échéant, un défaut. Et donc, considérez que le secteur privé est "plus compliqué" aujourd'hui qu'il ne l'était il y a vingt ans. Vous avez ceux qui sont longs et ceux qui sont courts. Si le discours unilatéral, si je puis dire, de certains consiste à dire "Je veux absolument punir ceux qui sont longs et récompenser ceux qui sont courts", c'est-à-dire punir ceux qui ont fait confiance et récompenser ceux qui spéculent contre, nous sommes dans un univers qui est un peu biaisé et qui, en tout cas, ne tient pas compte de la réalité très complexe des marchés modernes.

Donc, encore une fois, je nous encourage à être aussi résolus que possible. Il est clair que l'ajustement du pays est la première chose à faire. Et je l'ai dit clairement, de ce point de vue-là, il est absolument clair que nous avons besoin, dans tous les pays qui ont un programme, d'ajustements crédibles, capables de convaincre la totalité des observateurs et, bien entendu, des épargnants potentiels, et aussi soutenus largement par le pays lui-même. J'ai fait allusion moi-même au fait qu'une large union est nécessaire quand on est dans une situation où le pays tout entier est en cause.

Et puis, bien entendu, il faut regarder les choses de manière aussi résolue et lucide que possible. Dans le cas de la Grèce, la première condition est le plan lui-même. Nous parlons de ce qui est en train de se passer, bien sûr. La seconde condition, qui est importante dans le cas grec, est la privatisation. J'ai dit un mot des privatisations dans l'exposé introductif. La Grèce présente, par rapport à d'autres pays, un atout, à savoir qu'elle a, en effet, la capacité de mobiliser de l'argent privé sur la base de privatisations d'une importance très grande, puisque le projet, qui est inclus dans le programme, est de 50 milliards d'euros, c'est-à-dire à peu près 20 % du produit intérieur brut. C'est évidemment une somme tout à fait considérable.

Mais, et je conclurai là-dessus, il est de l'intérêt du peuple grec, de la nation grecque, il est de l'intérêt de la croissance à long terme et de la création d'emplois à moyen terme et à long terme, il est de l'intérêt, évidemment, de toute la communauté internationale non seulement en Europe, mais aussi dans le monde, que la confiance puisse revenir le plus vite possible et le mieux possible. Et chacun d'entre nous, me semble-t-il, a une part à réaliser dans cette confiance qu'il faut retrouver.

4-019

Νικόλαος Χουντής (GUE/NGL). – Κυρία Πρόεδρε, κύριε Trichet, σας ευχαριστώ πολύ για τη σημερινή ενημέρωση. Άλλωστε, εκτιμώ πολύ ότι μας δίνετε και γραπτά την εισήγησή σας με συνέπεια να μπορεί κανείς να επανέλθει αν υπάρχουν παρεξηγήσεις.

Δεν θα σας ρωτήσω για την Ελλάδα γιατί μοιάζει λίγο κουραστικό. Ήδη δώσατε κάποιες απαντήσεις. Αναφερθήκατε σε κάποιους δείκτες στην Ευρωπαϊκή Ένωση για την ανάπτυξη και το δημόσιο έλλειμμα. Έχουμε όμως τρεις χώρες: την Ελλάδα, την Πορτογαλία και την Ιρλανδία, που είναι στο μηχανισμό στήριξης και εφαρμόζουν προγράμματα λιτότητας.

Για την Ελλάδα τα ξέρω: δεν το εφαρμόζει, δεν έχει εθνική συναίνεση κλπ. Πείτε μου, σας παρακαλώ, αν είναι σωστά αυτά που διαβάζω στον Τύπο σχετικά με τα αποτελέσματα στην Πορτογαλία και στην Ιρλανδία. Σύμφωνα με τα στοιχεία η Πορτογαλία και η Ιρλανδία βυθίζονται σε ύφεση, με συνέπεια να μεγαλώνουν τα ελλείμματα και να χρειασθούν νέο δανεισμό καθώς το χρέος θα αυξηθεί.

Η ερώτηση είναι απλή: στην Ελλάδα φταίει το ένα· στην Ιρλανδία δεν ξέρουν τι φταίει· στην Πορτογαλία δεν ξέρουν τι φταίει. Μήπως δώσαμε λάθος φάρμακο στους ασθενείς;

Και μια πιο απλή ερώτηση: στην περίπτωση που έχουμε νέο δανεισμό, όπως συζητείται για την Ελλάδα, με την εθελοντική συμμετοχή των ιδιωτών, θα υπάρξει και επιδότηση επιτοκίου; Δηλαδή θα δοθεί κάποιο κίνητρο στους ιδιώτες για να ανταλλάξουν τα ομόλογα; Θα ακολουθηθεί μια τέτοια πολιτική; Θα κάνετε και εσείς μια τέτοια πολιτική επιδότησης του επιτοκίου στις τράπεζες για να συμμετέχουν σε αυτήν την εθελοντική ανακύκλωση των ομολόγων;

4-020

Jean-Claude Trichet, *President of the European Central Bank.* **–** Firstly, what we call austerity today is, in many cases, the correction of developments in the past that were not reasonable and should have been prevented. I do not want to bother you with too many figures, but the average increase in unit labour costs in the three countries that you mentioned has been very significantly higher than the average increase in unit labour costs in the euro area as a whole.

Take the example of wages and salaries in the public sector. With the same currency, the euro – with the same cost internationally because it is the same currency and

has the same international purchasing power – you can buy exactly the same things all over the world, whether you are in the three countries that you mentioned or in other countries in Europe. Regarding wages and salaries in the public sector, the average increase over the first years has been, as calculated most recently, I think something like 38%. In some countries it has been very much higher. In two countries it was even over and above 100%.

So it was not reasonable, and we are on record as having consistently said in recent years that it is not reasonable. What we are observing now is a correction and not something imposed for abstract reasons by an abstract world. It is a correction of what has been done in the past. These corrections are necessary if we want to get back to growth and job creation.

I do not want to congratulate one country in particular as we are responsible for the euro area as a whole. What we have delivered was close to 2% for the euro area as a whole, which is exactly what we called for, and it is our responsibility. You should bear in mind that we are responsible for the euro area as a whole. I am in the position of Ben Bernanke. I do not think Ben Bernanke would have many questions on whether Alaska or Nevada or South Carolina has a problem or not. You have to understand that. All the problems we are discussing are problems that are under the responsibility of the governments in question, the other governments, the surveillance of the Euro Group, the surveillance of the Commission and of course your own judgement, but we are not responsible for the behaviour of individual countries. We give advice and, as you can see, I have been very forthcoming in my response to your question.

That country which was very careful to avoid losing competitiveness and which wanted to regain competitiveness paid enormous attention to unit labour costs, not necessarily because there was a strategy but because all economic agents were conscious of the situation. What we have today is growth, job creation and remarkable resilience in the worst crisis since World War II. So it is clear that being well managed over time has a very important reward in terms of real growth and real job creation.

4-021
Marta Andreasen (EFD). – Mr Trichet, we are about to have another bank stress test. When the Committee of European Banking Supervisors tested the banks last year, they found that seven out of 91 banks failed the test, but the Irish banks that passed the test subsequently had to be recapitalised. This undermined the credibility of the tests. I realise that the new tests are being carried out under the supervision of the European Banking Authority, but are you satisfied that they are now realistic enough to discover which banks are not sufficiently capitalised? Also, will the test realistically measure a Greek default and an Irish and Portuguese one?

Can you also tell us what the ECB exposure to Greece is, how much green paper is the ECB holding? Have you calculated what different degrees of Greek default will mean to the ECB in these circumstances? How big a loss can the ECB absorb before you have to go back to Member States and ask for more capital?

Finally, as a prudent banker, as you are, what would you say to a client who came to you and told you that he is unable to pay his bills next month? If he said he was completely broke and was down to his last ready cash, and he could not pay the mortgage when it was due next month, would you tell him to go and borrow more money and increase his debt?

4-022
Jean-Claude Trichet, *President of the European Central Bank***. –** As you said, the EBA is responsible for the stress tests, and I have confidence that the stress tests are being run in the most professional fashion possible. We will see the results when the stress tests are published. I do not want to anticipate the work which is being done by the EBA, and by the national supervisors, because it is work which is being done within the framework of the constellation of national supervisors.

I would also like to say – and this also relates to your second question – that we are not the United States of America. We do not have a single treasury, a single signature or a single federal government. We have 27 governments, 27 signatures and 27 groups of taxpayers. That is the institutional framework of Europe. At the same time, we want to have – and we have made enormous progress on this – a single market at the level of the EU 27. As you know, these stress tests are being pursued at the level of the EU 27.

There is a high level of correlation between the signature of the sovereign and the signature of the banks in any country in the world. If there are problems with the signature of a sovereign, it has consequences for the signature of the banks, because immediately the backstops that are so decisive, as seen by all observers, investors and savers, and which are very important for the potential solidity of the banks, are made more or less credible or more or less brought into question, depending on the creditworthiness and solidity of the sovereign signature. All this is clear, and the reason why we should always remember in which constellation of sovereign decisions we are in Europe – a single market with a single currency uniting 331 million people, inside the 500 million, and, nevertheless, a constellation of governments and parliaments.

As the European Central Bank, we issue the currency for 17 countries – not only a fraction of the 17 but for the 17 countries – as the Treaty calls on us to do. We have a collateral framework that we apply. It is fully public and so everybody knows what our collateral framework is. We have attached great price to being sure that it was optimised, taking into account the situation. As you know, part of our concept is to strictly separate what we call the standard measures, namely the interest rates measures that we are taking to deliver price stability, and the non-standard measures that we take to be sure that we are coping with the abnormal functioning of some of the markets.

We are still living in the fallout of the worst crisis at a global level since World War II and one which could have been the worse crisis since World War I, or in other words something extremely grave. I refer to what we said last time. We said that we were in a state of strong vigilance, which has an effect on the interest rate standards measures. We said at the same time that we would maintain for the third quarter of this year the fixed rate full allotment refinancing on a three-monthly basis. This shows that the separateness principle is being strictly applied as we are detaching the standard measures from the possible non-standard measures. Our track record is that we have delivered price stability, in line with our definition, over time. We will continue to do that. This is something which is absolutely fundamental for us. It is the Treaty. It is what our people are calling on us to do and it is something which is essential for the stability of the euro area and confidence in it, in a perspective of preserving prosperity in Europe.

4-023

José Manuel García-Margallo y Marfil (PPE). – Señora Presidenta, señor Presidente, estamos en un momento de un «hasta luego» y voy a aprovechar su doble circunstancia de persona independiente y de persona claramente europeísta para hacerle una pregunta muy general.

Sabíamos todos desde el principio que la Unión Monetaria no era un área monetaria óptima. Se confió en que el andamiaje actual, una política monetaria centralizada, un pacto de estabilidad y la coordinación de las demás políticas permitirían eliminar las diferencias más sangrantes dentro de los países de la Unión Monetaria. Eso no ha sido así, ni en los buenos ni en los malos tiempos, y ahora han saltado por los aires tres principios básicos de la Unión:

El principio de «*no bail out*», el principio de «*no default*» y podría saltar por los aires el principio de «*no exit*».

La única solución sería hacer un diseño nuevo, posiblemente con una modificación de los Tratados. El señor Trichet ha aludido a la posibilidad de un ministro de finanzas de la Unión Europea.

El señor Dry ha aludido a la posibilidad de los eurobonos –posibilidad que el señor Trichet no descarta: dice que no es posible dentro de la arquitectura institucional– pero si hubiese que cambiar la arquitectura institucional, si la idea es buena, en su opinión ¿qué habría que hacer en el futuro?

Espero una respuesta. Hoy espero contar con su experiencia en los próximos años, y como buen marino, le deseo una buena travesía en los próximos meses en el destino al que los vientos le conduzcan.

4-024

Jean-Claude Trichet, *President of the European Central Bank***. –** You mentioned the diversity of the situation of the various countries in Europe and implicitly, it seemed to me, the idea that we are still too diverse, that we will converge at a certain time but we have not converged sufficiently. We have made a lot of progress recently in our own research in better understanding diversity in a very large advanced economy. We again compared the euro area to the United States of America. It is extremely impressive to see that there is the same level of standard deviation diversity in inflation between the various statistical regroupments in the US – the 14 areas – and in the euro area. We have the same standard deviation for growth. What is even more surprising is that we have the same evolution in unit labour costs, with a persistent evolution of unit labour costs increasing the difference in competitiveness between the various states, a form of evolution that is very close to us.

Also contrary to very widely held feelings, we have enormous differences between unemployment levels. The highest level of unemployment in a US state is 13.5%-14% and the lowest is 3.4% or 3.5%, which is almost the same distance that we have.

The conclusion is that, when you run a very vast single market, and certainly a very vast single market with a single currency, you have to expect a great deal of diversity and the problem is how to manage that diversity. Of course in the US you have the Federal Government. In Europe we clearly have to improve governance, and that is at the heart of your question. I do not want to repeat what I have already said. We have to concentrate today on how we can improve governance – fiscal surveillance and competitiveness, evolution and imbalance issues. That is what you are discussing with the Council at the present moment.

It is of capital importance, because in real time we are drawing the lesson from the crisis. I suggest that we could reflect on what you do tomorrow and what you do the day after tomorrow. Tomorrow, as I said in a recent speech, I think that we certainly have to go further. If a country does not succeed in adjusting itself, then the centre should be able to substitute for some decisions to the country itself. It is probably what is necessary when you belong to a single market with a single currency. The day after tomorrow I said that we will see what the Europeans decide; it is the decision of the people of Europe. You know better than me, but it seems to me that an entirely new type of confederation of sovereign states is perhaps what the European people will decide on. But it is your decision, not my decision.

4-025

Anni Podimata (S&D). – Madame la Présidente, Monsieur le Président, je n'ai pas l'intention, en tant que députée grecque, de vous poser une question sur la crise grecque, mais je tiens à vous remercier, puisqu'on approche de la fin de votre mandat, et à exprimer ma reconnaissance pour le rôle considérable que vous avez joué depuis le début concernant la résolution de cette crise.

Et puisqu'on approche de la fin de votre mandat, je veux passer aux leçons tirées de la crise et à votre vision sur

l'avenir. Et en parlant des leçons tirées de la crise, je crois que la nécessité d'approfondir et de renforcer institutionnellement et politiquement la zone euro devient de plus en plus indispensable. Comment voyez-vous cette nécessité? On sait, par exemple – et je répète à cette occasion ce que notre collègue vient de dire –, que vous avez exprimé des réserves sur la question des euros-obligations, mais en même temps, vous avez lancé des idées assez radicales, par exemple la nomination d'un ministre des finances de la zone euro.

Donc, comment voyez-vous cette nécessité de renforcer institutionnellement et politiquement la zone euro et, dans ce même contexte, quel rôle voyez-vous pour la Banque centrale européenne à l'avenir? Est-ce que ce rôle devait être limité à la stabilité des prix? Est-ce qu'il y a un vide institutionnel concernant la stabilité financière et comment pourrait-on remplir ce vide?

4-026
Jean-Claude Trichet, *Président de la Banque centrale européenne***. –** Madame, d'abord je voudrais dire que, pour reprendre votre dernière question, nous croyons que donner à la Banque centrale européenne la stabilité des prix, comme c'est le cas dans le traité, est la bonne manière de donner à l'Europe de la zone euro une ancre de stabilité et de confiance qui est absolument fondamentale.

Nous considérons que c'est une donnée. Nous sommes dans une zone stable avec une stabilité des prix au niveau de l'ensemble des 331 millions d'habitants de la zone. C'est un élément absolument fondamental de confiance et de confiance de nos concitoyens – encore une fois, je pense à tous les concitoyens des dix-sept pays. C'est aussi une confiance fondamentale, vu du point de vue du reste du monde regardant la zone euro, vu du point de vue des investisseurs et de ceux qui vont, sur le long terme, faire la croissance et la création d'emplois dans la zone euro.

Accessoirement, je vous donne une indication qui, je crois, n'est pas très connue: depuis la création de la zone euro, nous avons créé dans la zone euro quatorze millions d'emplois nets. Pour comparer, pour les États-Unis, le chiffre est de huit millions d'emplois nets. Donc, pour deux zones qui sont de dimensions comparables, vous avez là une indication de ce qui a été fait. Cela ne veut pas dire qu'il faut être complaisant le moins du monde. Énormément de travail, notamment de réformes structurelles, sont nécessaires pour que l'on puisse améliorer les choses. Elles doivent être substantiellement améliorées.

Pour revenir à votre question sur les améliorations dans une perspective de moyen/long terme, je dirais que, ce qu'il faut faire aujourd'hui, c'est être réaliste. Aujourd'hui, nous ne pouvons pas changer le traité – c'est une opération très lourde de changer le traité – et donc, il faut aller le plus loin possible dans la gouvernance. Donc là, je suis formel, je me suis déjà exprimé sur ce point.

Lorsque les Européens décideront et, encore une fois, ce sont des décisions de nos peuples, ce sont les démocraties et les peuples dans les démocraties qui vont décider de ce qu'il faudra faire demain, comme je le disais, et après-demain... Demain, je crois que nous aurons besoin d'avoir un centre capable de prendre des décisions très importantes si tel ou tel pays n'y arrive pas, parce que ce serait dans l'intérêt du pays concerné et ce serait aussi dans l'intérêt de l'ensemble de la zone, bien sûr. Et comme je l'ai dit, après-demain, je crois que les Européens peuvent - mais ce sont les peuples qui décident - se doter d'une confédération - qui serait très différente, bien entendu, des États-Unis d'Amérique – confédération d'États souverains avec, en effet, un ministère des finances pour gérer de manière optimale, mais en tenant compte du fait que ce serait une confédération d'États souverains.

Mais encore une fois, je ne veux pas aller plus loin parce que ce sont les peuples qui décident.

4-027
Sylvie Goulard (ALDE). – Monsieur le Président, très brièvement, il est responsable devant qui, votre ministre des finances? Il est suspendu à un fil au-dessus de l'eurozone ou bien on met en place de la démocratie derrière cette chose. C'est toujours le gouvernement économique des Français. Moi, je suis germanisée, alors je sais que, dans une démocratie, on est responsable devant un parlement.

4-028
Jean-Claude Trichet, *Président de la Banque centrale européenne***. –** Dans mon esprit, bien entendu, si nous avons une confédération, nous avons une confédération dans laquelle il y a un gouvernement confédéral et, bien entendu, responsable devant un parlement confédéral, par définition. Cela me paraît aller absolument de soi. Mais je ne veux pas me substituer à vous, Madame.

4-029
Theodoros Skylakakis (ALDE). – Mr President, thank you for being here. I am afraid I have to ask a question about Greece, but it is an important one.

You have talked a lot about the Greek privatisation package. I fully agree with the need for total privatisation of state business activity in Greece, and it is a very brave privatisation package but, if we are selling while there is a serious danger of default, will we not get very low prices for these assets? If you flood a real estate market that is already crashing with 100 million square metres of land within two or three years, is there not a danger of very reduced receipts from the programme?

The ECB has co-signed this programme. Has an impact assessment been conducted on the prices that will occur from selling these assets in this way? From the perspective of the nations that are lending Greece money, is it wise to fire sell Greek assets at a rate of two million a deal each week for the next four and a half years? If the sales do not proceed as expected in terms of prices, would you consider a Plan B, with a timescale of six or seven years, with higher revenues?

4-030
Jean-Claude Trichet, *President of the European Central Bank***. –** The ECB is responsible for the euro

area as a whole. You have asked me to enter into detail on responsibilities of your government and of the IMF, which has to define the conditionality for its own help to your government and your country for it to regain its credibility, and we have also the Commission. The Commission is in liaison with the ECB, which is not designing the plan. It is not advising on the details of the plan. Again, what we very much hope is that the Greek economy as a whole – the private sector, the public sector and all the players in Greece – will understand that if they themselves played the game, the winning game, then they would totally change the picture.

As regards the present situation, look at countries which have had a crisis and look whether direct foreign investment is not much more forthcoming afterwards than it was before. I would urge you to reflect on the examples we have from all over the world. Again, the problem is one of regaining confidence. If we have an adjustment programme that is followed very carefully, and if we have the plan being applied in a convincing manner, then you will see that things change. The pragmatism of the rest of the world, and of European investors and savers, including those in Greece, will depend on what they see: it is as simple as that.

I encourage all those who have responsibility to do all they can to improve confidence again. That is true for Greece and it is true for the other countries. And it is also true that in circumstances that have been extraordinarily difficult since 2007 or 2008, it is of the essence for all countries to be ahead of the curve – not only, of course, those that have major difficulties, but all countries, because we are in a world which is demanding, and which is difficult, and where you might have unexpected events as has been demonstrated. The best way to protect oneself is to be ahead of the curve. It is as simple as that.

4-031

Kay Swinburne (ECR). – President Trichet, this Parliament has stressed the need for increased transparency in public finances in the EU in order to assess the true economic position of each Member State. This would obviously have to include the accounting of off-balance sheet obligations, including future pension liabilities and any funding vehicles and the collateralised budget components that many Member States have. Do you at the ECB feel that sufficient progress is being made in this regard?

4-032

Jean-Claude Trichet, *President of the European Central Bank***. –** The reliability and confidence that one can place in all the figures, the facts, the accounting, is fundamental. We have experienced that dramatically in the case of Greece. We have ourselves called for Eurostat to be fully independent, to have the capacity to work on-the-spot, to have the capacity to audit, to access the relevant papers and to make its own judgment. A lot of progress has been made, but I would not consider it sufficient. I would say that we will be fully at ease when we really have a European institution that has the capacity to sound out everything in the various countries as regards public finances and is able to be credible in the eyes of all.

In a number of countries you still have a lot of public debate, inside a democracy, between the majority and the opposition, on whether the figures are right or wrong and so forth. That is not possible. We cannot run a democracy if there are disputes on the facts. I have to say that the US, with all its enormous difficulties, gives us a good model in this respect, because nobody is challenging the figures. People are challenging the decisions, and they might challenge the projections, but not the present picture. We need that. We need that for the EU 27. This is not an issue specific to the EU 17, it seems to me.

4-033

Sven Giegold (Verts/ALE). – Erst einmal auch von mir, Herr Trichet, herzlich willkommen. Auch ich möchte Ihnen zum Karlspreis gratulieren. Bei aller Ambivalenz der Politik der EZB, finde ich, dass dort in Aachen das richtige Signal gesetzt wurde, gerade wenn man die Debatten, die derzeit auch in unserem Land über den Euro geführt werden, sieht.

Ich möchte auf die Debatte rund um die Solvenz Griechenlands zurückkommen. Zum einen ist für mich nicht erklärbar, wie ein Land in einer Situation wie Griechenland einen Primärüberschuss von 4 bis 5 % des Bruttoinlandsprodukts über den Konjunkturzyklus hinweg erzielen soll. Sie verweisen auf Privatisierungen. Aber der Kollege, der hier vor mir gesprochen hat, hat schon gesagt, dass, wenn man unter Druck Privatisierungen vornimmt, man nicht die Preise erzielt, die man erzielen könnte. Es handelt sich dann eigentlich um eine Verramschung. Das bedeutet, dass dies eben auch nicht zu der Erleichterung führen wird, die man sich erhofft.

Sie haben argumentiert, die Privatisierungen hätten auch aus ökonomischen Gründen ihre Vorteile. Darüber kann man argumentieren, aber klar ist, wenn man unter Druck verkauft, erhält man eben nicht die erwartete Erleichterung, was die Höhe der Staatsverschuldung betrifft. Aus meiner Sicht bleibt daher das Problem der hohen Belastung durch die Staatsverschuldung bestehen. Die ist nicht wegzureden, nicht durch einen Privatisierungsprozess unter Druck zu völlig unvernünftigen Preisen und unter massiven Verlusten auch von öffentlichem Eigentum.

Sie haben auf Asien verwiesen. In Asien wurde in Südkorea und Thailand – anders als Sie das angedeutet haben – damals ein Teil der Schulden restrukturiert. Ich möchte deshalb zwei Fragen stellen: Ich würde Sie bitten, etwas genauer auf die Frage einzugehen, wieso Sie der Meinung sind – und zwar ökonomisch – warum das keine Solvenzkrise ist. Und zweitens würde ich gerne wissen, wenn wir jetzt eine freiwillige Gläubigerbeteiligung bekommen, ob die EZB mit ihren Bond-Besitzen, mit ihren Anleihebeständen freiwillig dazu beitragen wird, die Solvenzkrise Griechenlands abzumildern.

4-034

Jean-Claude Trichet, *President of the European Central Bank***. –** I would have expected a lot of questions on our monetary policy, on the level of inflation, on what inflation will be in two years' time, on whether our projections are right or wrong, and on whether we are right or wrong to have the present level of interest rates, taking into account other decisions taken elsewhere in the world. However, I see that you have such a confidence in my institution that these are not a problem or an issue at all!

I have also had a lot of questions on issues for which we are not responsible. We are responsible for the euro area as a whole and for price stability. If we have a permanent global discussion – global, because everything we are discussing is of global interest – then it is a global issue. We are at the epicentre of global tensions concerning sovereign risk. You have to see this as the reality.

Let me go back to some of the remarks made. First, going down from a high level of debt outstanding to a lower level should not be anything new to Brussels, because the Kingdom of Belgium's debt went down from 135% to 85% over a period in which it was very steady in pursuing a policy that delivered growth and job creation, soundness and economic stability.

To run policies without the conditionality of the IMF, without the conditionality of the EU, and without having the enormous reasons that other countries might have today, is possible. I could also mention Italy. The Italians here know that a formidable effort was made during the 1990s, and that was extremely important.

Secondly, I have already spoken about privatisation, for which we are not responsible. The government has decided to privatise, and that was certainly a very important and good decision, by all means. The issue of how Greece now optimises its privatisation is a very important one which I consider has to be managed by the appropriate persons. A very important element in the long-term credibility of that country – which is not the case for most other countries – is that it has a very large potential for privatisation. It is very important in terms of that country's financing and very important also in terms of reviving and fostering its economy.

I would again say that this is something that depends entirely on the determination of the country itself, on the determination of its government and on its various political sensitivities. The entire world is following what is being done in Greece and by the EU in general, and knows that this is something which has a global reach. We will see how to optimise the situation. As far as the ECB is concerned, we are giving advice to those who have to take the decisions. We are not substituting ourselves for those who take the decisions. Our mandate is to deliver price stability for 331 million people, which is a number slightly higher than the population of the United States of America.

4-035

Sven Giegold (Verts/ALE). – Mr Trichet, I did not get a response to my question on whether you will contribute to voluntary credit efforts.

4-036

Jean-Claude Trichet, *President of the European Central Bank***. –** Yes, it will be the involvement of the private sector, and not the public sector. As I have already said, we do not envisage participating ourselves.

4-037

Chair. – This is the monetary dialogue rather than the advisory dialogue. The problem is that, although you are not responsible for things, you are respected and so of course we want to have your views.

4-038

Werner Langen (PPE). – Herr Präsident! Ich habe mich nie der Kritik angeschlossen, dass Sie als Marktmaßnahme vorübergehend Staatsanleihen vom Sekundärmarkt aufgekauft haben, habe aber gelesen, dass Sie ab gestern die gleiche Höhe wie die Staatsanleihekäufe – nämlich 74 Mrd. EUR – dem Markt an Liquidität entziehen. Ist das die Antwort? Das war die erste Frage.

Zweite Frage: Sie haben vom Quantensprung gesprochen. Der Quantensprung ist deshalb nicht möglich, weil das eine Bein – der Rat – nicht springen will. Deshalb wird das nicht gehen. Wir haben Ihren Appell vernommen, dass wir beim präventiven Arm hart bleiben sollen. Aber was raten Sie uns denn, wenn der Rat weiter blockiert? Ich bin dafür, dass wir hart bleiben, aber der Rat – unter der Führung von Deutschland und Frankreich – stellt sich stur. Sollen wir die erzielten Fortschritte jetzt noch weiter nach hinten verschieben, eventuell gefährden, da die sozialistische Seite dieses Saales nicht mitmachen will, sondern den Stabilitäts- und Wachstumspakt entschärfen will?

(Zwischenrufe)

Und der dritte Punkt: Der Bankensektor hat längst für den Fall Griechenland einen Plan B im Kopf. Ich stimme überein, dass wir versuchen sollten, das Problem in die griechische Verantwortung zurückzugeben. Aber ich erinnere mich, vor einem Jahr ist von einer geordneten Insolvenz der Eurozone geredet worden. Niemand will mehr einen Plan B haben. Gibt es diesen Plan B? Oder gibt es den nur bei den Banken? Gibt es ihn bei der EZB? Gibt es ihn irgendwo? Es muss doch einen solchen Plan B geben. Ich kann mir nicht vorstellen, dass die Diskussion ohne Plan B auskommen kann.

Drei schwierige Fragen! Ich glaube, Ihre Amtszeit war bisher sehr erfolgreich, auch wenn Sie am Ende diese Probleme haben. Ich möchte deshalb die Gelegenheit nutzen und Ihnen zu Ihrer Amtsführung gratulieren.

4-039

Jean-Claude Trichet, *President of the European Central Bank***. –** I appreciate enormously what you have said and the ECB appreciates enormously what you have said. On the first point, as you know, we reabsorbed the liquidity that we had injected through the SMP every week. So we are not practising quantitative easing; we

are withdrawing all the liquidity that was injected as part of this programme.

On the quantum leap, the ECB's governing council is very clear in what it advises Europe to do. It is not our responsibility; we are not in a trialogue: it is you, the governments, and the Commission. It is not because some countries are in a certain position that they are necessarily right. We have seen that in the past, taking into account the Stability and Growth Pact.

We now know, with the benefit of hindsight, with the evidence we have, that it was not right to go in that direction. All I wish to say is that we have to do all we can under the present Treaty to improve governance. I know that it is very difficult, very complex.

You have also mentioned various sensitivities. We are issuing the currency for all sensitivities. The ECB is a multinational and 'multi-sensitivity' institution and we pay due account to all parties involved. When we take our decisions, it is all our fellow citizens whom we have in mind.

With regard to Plan B, what we do is not for the sole benefit of country A, country B, country C, country D, country E, or for the euro area or the European Union as a whole, it is also a global matter. I want to make that point very clearly. We are discussing with great *allégresse*, if I may say, with a certain glee, what is no less than the first default of an advanced economy since World War II.

Again, we are called on to be highly responsible and as far as we are concerned we are permanently alert. We even have a concept of 'permanent alertness'. You might remember that, at the start of the economic turbulence on 9 August 2007, we took our first major decision in a matter of hours. So we are permanently alert and you can count on our permanent alertness.

This is an issue that calls for those in charge – the governments, the international community, via the IMF, and Europe as a whole, via the Commission – to act with the utmost responsibility.

4-040
Robert Goebbels (S&D). – Madame la Présidente, Monsieur le Président, depuis deux ans, la Grèce est en récession. Un PIB en contraction fait augmenter mécaniquement la dette grecque par rapport à son PIB. Les paquets d'aides de l'Union et du FMI sont en fait des dettes additionnelles entraînant des paiements d'intérêts toujours trop importants.

Une solution vraiment européenne serait la création d'un marché d'euro-obligations communes. José Manuel García-Margallo et Anni Podimata y ont fait référence. Vous n'avez pas répondu. Un tel marché serait aussi liquide que le marché des *treasury bonds* américain et, en fait, ces eurobonds existent de facto déjà. La BEI, avec la garantie des vingt-sept États, a levé l'année dernière quelque 80 milliards d'euros à des taux d'intérêt aux alentours de 3 %. De tels taux permettraient à tous les gouvernements de se refinancer à bon compte, de retrouver le chemin de la vertu fiscale et d'investir à nouveau.

Vous ne voulez pas d'un *default* ou d'un *haircut* pour parler franglais, mais pourquoi ne soutenez-vous pas cette idée lancée par Juncker et Tremonti et peaufinée par l'Institut Bruegel? Ce serait, je crois, une voie royale pour permettre à l'Europe, tout d'abord, de trouver une unité plus grande et, ensuite, de se restructurer.

Permettez-moi, pour finir, de vous souhaiter des vacances tranquilles, c'est-à-dire sans crise, dans ce coin de Bretagne qui nous est cher à tous les deux, la région malouine.

4-041
Jean-Claude Trichet, *Président de la Banque centrale européenne***.** – J'apprécie énormément votre dernier souhaite, et je suis heureux de voir que nous partageons cette affection pour cette région.

La question que vous posez est en effet une vraie question. La position du Conseil des gouverneurs, au moment où je parle, est que nous avons, comme je l'ai déjà dit, demandé le niveau maximum de flexibilité pour le EFSF et pour le ESM, EFSF aujourd'hui et ESM demain. Et, bien entendu, il s'agit là d'un instrument qui, lui-même, comme le savez, se refinance sur les marchés avec une garantie complexe, mais qui est bien décidée par chacun des gouvernements. Donc vis-à-vis des marchés, nous avons une signature unique, qui est la signature du EFSF, et demain celle de l'ESM.

Nous considérons que, dans les circonstances actuelles, c'est la flexibilité maximale, mais certainement pas du tout de flexibilité du point de vue de la conditionnalité, qui est l'élément essentiel sur lequel on pourrait, on devrait, dans notre opinion, faire des progrès.

4-042
Ramon Tremosa i Balcells (ALDE). – Mr Trichet, since the ECB is purchasing the public debt of some Member States, it is playing a quasi-fiscal role. To relieve the ECB of this role, do you think it would be worthwhile to have not only a European finance minister, but also a European treasury?

The second question, very briefly: are you worried about the leverage ratio of the ECB? At the end of 2010, the quotient of total assets and capital and reserves in the ECB was very close to 24. In other central banks, such as those of Sweden, Norway, Denmark or Switzerland, this leverage ratio is between 4 and 6. Lehman Brothers in 2008, before it went bankrupt, had a leverage ration of almost 30. Are you worried about this?

4-043
Jean-Claude Trichet, *President of the European Central Bank***.** – We have a tendency to compare ourselves to the United States of America. Other comparable major central banks have had to cope with issues of the same order of magnitude.

To give you an idea of this order of magnitude, when I compare the overall balance sheet of the euro system at the present moment – the most recent figures we have – to figures from before the crisis – say at the end of June 2007 – the overall size of the balance sheet has increased by about EUR 600 billion. We have gone from EUR 913 billion to about EUR 1.5 trillion.

This represents a multiplication of approximately 1.7, which shows the impact of the crisis, but also of the very substantial re-valuation of the price of gold. During this period a number of other phenomena have played a role.

If we just concentrate on monetary policy instruments, there has been a much more modest augmentation: a rise of around 20%. When we compare this with the United States – a natural comparison – the US balance sheet has risen from USD 845 billion before the crisis to USD 2.75 trillion: a multiplication of a little more than three over the period.

So you see that our balance sheet growth remains more modest than that of equivalent economies. The UK is probably similar to the Federal Reserve System in terms of overall balance sheet growth. In our case, we have greatly increased our holdings of gold.

We are very attentive to what we do. We have our framework: the overall collateral framework. We try to be as attentive as possible to the risk that we are taking; this is always foremost in the minds of the governing council. We will continue to be very attentive and take care to maintain a strict separation between standard measures and non-standard measures.

4-044

Chair. – I am now going to have to apologise as I have to hand over the chair to a Vice-Chair. As mentioned, I have to go to chair an economic governance trilogue. This is not the final time that we will have President Trichet here because we think he will be back on 19 September. Like many others, I appreciate all the work that he has been doing.

4-045

IN THE CHAIR: THEODOR DUMITRU STOLOJAN

4-046

Astrid Lulling (PPE). – Monsieur Président, Monsieur le Président Trichet, même si ce n'est pas votre dernière apparition ici même au Parlement européen, je tiens quand même à vous remercier de l'effort inlassable dont vous avez fait preuve pendant votre mandat et, notamment, pendant la crise économique et financière, afin de garantir la stabilité de notre monnaie unique. Je suis sûre que les historiens vous rendront l'hommage qui vous est dû, que vous méritez, alors que les événements des dernières années auront laissé bon nombre de responsables politiques sans voix, ou presque.

J'ai une question, Monsieur le Président. On vient d'apprendre que, dans le cadre de ses perspectives financières pour 2020, la Commission européenne propose la création d'une taxe sur les transactions financières au niveau de l'Union européenne, comme ressource propre. Vous avez itérativement ici mis en garde devant une telle mesure au seul niveau de l'Union européenne et surtout de la zone euro. Que pensez-vous de cette proposition et de sa faisabilité? La Commission espère encaisser trente à cinquante milliards. Est-ce réaliste ou est-ce populiste, comme certains le croient, parce que la Commission, apparemment, veut prouver qu'elle pénalise les banques? Donc, le droit fiscal, au fond, devient un droit pénal. Je voudrais savoir ce que vous en pensez.

J'ai une autre question un peu technique sur le mécanisme de crise permanent, qui deviendra, sous réserve de ratification par les États membres, opérationnel après juin 2013. Que pensez-vous, premièrement, de l'achat des obligations des États membres de la zone euro sur le marché primaire, deuxièmement, de la possibilité pour l'ESM de donner une garantie à la place des garanties étatiques, aujourd'hui de peu d'effet, et, troisièmement, de la nature juridique de l'ESM et de son éventuelle extension?

4-047

Jean-Claude Trichet, *Président de la Banque centrale européenne***. –** Je ne vais pas vous surprendre. Sur la première question, nous demeurons du sentiment qu'une taxe spéciale sur les transactions financières, qui serait imposée en Europe et qui ne le serait pas dans le reste du monde et, en particulier, sur les principaux marchés, se traduirait par une perte importante d'activités pour l'Europe et, donc, aurait des inconvénients de ce point de vue-là tout à fait redoutables à un moment où il est important, au contraire, évidemment, d'avoir le plus d'activités possible en Europe. L'industrie financière, qui doit être régulée, qui doit être contrôlée, qui doit être placée dans un environnement de résilience maximale, reste une industrie importante pour l'ensemble des pays avancés, et des pays émergents, d'ailleurs, qui sont en train de se doter de marchés d'une importance considérable. Donc, nous maintenons la même position qu'auparavant.

En ce qui concerne la flexibilité possible de l'ESM et de l'EFSF, nous avons toujours plaidé pour une grande flexibilité. À partir du moment où l'on veut préserver la stabilité financière en Europe, nous avons intérêt à avoir des instruments qui soient adaptés au monde d'aujourd'hui, bien entendu qui n'agissent que sur la base d'une conditionnalité très forte, d'une conditionnalité parfaitement convaincante et suivie de très près. Mais pour leur activité propre, nous sommes pour la flexibilité. Donc, nous ne sommes pas contre les interventions sur le marché primaire. Nous étions pour les interventions sur le marché secondaire, qui n'ont pas été envisagées, malheureusement. On peut imaginer qu'il y ait la possibilité d'intervenir sous forme de garantie. Je crois qu'il faut la flexibilité maximale.

4-048

Elisa Ferreira (S&D). – Senhor Presidente, eu penso que neste momento está em condições de ter uma perspectiva mais livre sobre a situação da zona euro e encaro a sua proposta de termos um Ministro das Finanças da zona euro como um primeiro passo nessa abordagem mais distanciada que a aproximação do fim

do seu mandato lhe permite. Mas queria dizer-lhe que, sozinha, essa proposta parece desequilibrada.

Olhando para trás e vendo o trajecto que temos vindo a seguir, eu pergunto-lhe: não é importante pensarmos se uma zona euro pode continuar a viver com um orçamento que é quase igual ao primeiro apoio de que a Grécia necessitou para sobreviver dentro da zona euro? Falou dos Estados Unidos várias vezes, mas o dólar não está em riscos de romper e o aspecto de termos um orçamento federal não é um assunto menor. As euro-obrigações, outro assunto importante: não seria agora o momento de lançarmos soluções mais estruturais? Um Fundo Monetário Europeu com preços de empréstimos a juros aceitáveis e prazos aceitáveis, e uma base europeia comum, e não intergovernamental, não era o momento de tomar dessa decisão?

E, por último, não é altura de reconhecermos que as margens de ajustamento, quando os países pertencem ao mercado único e a uma zona euro, as margens de ajustamento e os instrumentos que os países têm na mão são excessivamente limitados para aquilo que eles têm que fazer? Isto toca um outro assunto que está, neste momento, ainda por resolver: o problema de uma abordagem global a que nós resolvemos chamar abordagem simétrica ou assimétrica, mas que ainda está por resolver no processo de trabalho entre o Conselho e o Parlamento, no que diz respeito ao pacote de governação económica.

Os países não têm os instrumentos para fazerem ajustamentos mesmo quando têm uma detecção de desequilíbrios estruturais. Não há, neste momento, dentro da zona euro instrumentos para que eles se reponham na trajectória de crescimento.

4-049

Jean-Claude Trichet, *President of the European Central Bank***. –** Again, we have to concentrate on what is currently extremely important, namely the governance of the euro area and of the 27 and the progress that must now be made. I have already expressed our position on that point. We are fully aware that, if we do not do all we can now, history will judge us and consider that we were too timid.

With regard to bonds, I have already stated the position of the governing council. We have decided to set up a fund – currently called the EFSF, shortly to be renamed the ESM – which is of a large magnitude, and is there to complement possible help from the wider the international community, namely the IMF. We call for maximum *souplesse* – maximum flexibility – in that fund, provided we have strong conditionality.

I have to say that the present situation is very difficult, but those who behave as they should are in a very different situation from those who do not. This is true in the euro area, but it is also true in the rest of the world. This is something which is part of the wider picture and it is true for interest rates. It is also true for growth potential. It is also true for the fight against unemployment and so forth.

Sound policies and appropriate structural reforms have their reward and that is more growth and more job creation. So we should encourage all efforts in this regard. We have to be careful not to take a wrong turn as regards both fiscal policy and competitive indicators; this is of the essence.

Again, whilst I agree that your questions are very pertinent, you can see that we will maintain our present position.

4-050

Udo Bullmann (S&D). – Herr Präsident! Es ist noch eine Frage offen, die der Kollege Balz formuliert hat. Er hat nach den Ratingagenturen gefragt. Und ich wollte gerne wissen, wie zufrieden Sie mit der Umsetzung der bereits erreichten Gesetzgebung in der Europäischen Union sind. Glauben Sie, dass von den Ratingagenturen marktverzerrende Effekte ausgehen? Was sollten wir tun? Sollen wir ihren Einfluss verringern oder sollen wir neue Ratingagenturen in Europa gründen? Sollen wir beides tun? Was ist Ihre Beobachtung für einen kritischen Marktakteur?

Und meine zweite Frage ganz schnell: Wir haben über Preisstabilität gesprochen, und Sie haben über das Verhalten von Staaten gesprochen im Hinblick darauf, ihre Inflationsziele einzuhalten oder ihren Beitrag zu leisten, Inflationsziele einzuhalten. Gibt es in Ihrem ökonomischen Ansatz auch ein Problem, wenn ein Land auf Dauer unter dem Inflationsziel der Europäischen Union, so wie Sie es als Europäische Zentralbank vorgeben, bleibt? Also ein Land, ein ökonomisch wichtiges Land, das auf Dauer, auf längere Sicht unter dem Inflationsziel, das die Europäische Zentralbank vorgibt, bleibt. Ist das ohne Auswirkungen auf den Binnenmarkt oder ist das ein Problem, an dem wir arbeiten müssen?

4-051

Jean-Claude Trichet, *President of the European Central Bank***. –** In reply to your first question, I would say it is still an open and very important issue. You have made a very important point, as did Mr Balz. It is a global issue.

We are trying to make the world, and in particular global finance, less pro-cyclical, less prone to ups and downs, booms and busts. It is clear that, with a handful of important credit rating agencies at global level, we have a formidable concentration of influence, which might be – and has proved in the past to be – pro-cyclical. We have to reflect on that. A lot of progress has been made as regards avoiding conflicts of interest inside these institutions, improving oversight, improving surveillance, which is being done all over the world, particularly on both sides of the Atlantic.

There is also the problem *per se* of a small oligopolistic set of institutions which again might by nature be pro-cyclical. The overall message for all investors, savers,

market participants and financial institutions is that they themselves have to look at the reality of the instruments or the signatures in which they are investing. A good example of this is when the regulators tried to detach the overall surveillance rules and regulatory rules from the credit rating agencies themselves, which has been done in a particularly spectacular manner on the other side of the Atlantic.

The idea of promoting new credit rating agencies to enlarge the set of major institutions is also an open question. I would say it is work in progress. It would be too severe to say that nothing has been done, but it would be too naive to suggest that we are already at a satisfactory level. That would be my response.

As regards the country which you mentioned implicitly – I think I can imagine which one – my understanding is the following: in the long run, each country, apart from very special cases, should oscillate around the norm of less than 2%. Around 2% is clearly the benchmark that has been not only pre-announced but confirmed. It has a track record and is, rightly, trusted, by observers as being the rule for the next 10 years. I think that the country, Germany, was really in a special situation because it had to regain competitiveness.

Let us not forget that, at the very beginning of the euro, Germany was in current account deficit. It looks strange today but that was the case. The public sector and the private sector – businesses and the social partners – spontaneously did what they thought was necessary to regain competitiveness. This is one of the reasons why unit labour costs have moved very slowly in Germany. The results are there. The prosperity is there. The exports are there. The job creation is there. It is a very good example which demonstrates that, when you behave as responsibly as possible over a certain period of time, the reward is there.

But from now on, my own understanding is that we should have oscillation around what would be more or less the norm and the average for the euro area. This was the case in the past: let us not forget that, over the first 12 years of the euro we had exceptionally good price stability in Germany, despite the 3% rise in VAT. We had an average of 1.5% over 12 years. It has never been at such a level over the last 50 years, so I do not believe this to be the natural order of things. The natural order of things is for price stability to remain at an average level in the euro area.

4-052

Thomas Mann (PPE). – Herr Präsident Trichet, lieber Nachbar in Frankfurt am Main! Wir hatten bei den Feierlichkeiten zur FIFA-Frauenfußball-Weltmeisterschaft in Frankfurt ein wunderbares Bild, da war die Europäische Zentralbank mittenmang. Das war sehr gut, und das betrifft auch Sie als Person. Ich denke, Sie spüren schon diesen Abschiedsschmerz – hier bei uns im Parlament hat er schon begonnen –, das wird noch lange währen. Sie haben zu Recht den Karlspreis bekommen. Neben aller politischen Diplomatie haben Sie auch immer klare Worte gefunden.

Ich habe natürlich versucht herauszubekommen, ob das mit dem Staffelwechsel auf den Mario Draghi nun klappt oder nicht. Er hat bei uns im ECON-Ausschuss einen hervorragenden Eindruck hinterlassen. Das war sehr gut. Also bei der Frage, dass der EU-Rettungsschirm Mittel zum Zweck bleiben muss, da wird ein Jean-Claude Trichet wohl unterschreiben können. Ein Weg zur Transfer-Union muss vermieden werden, da werden Sie mit Sicherheit auch unterschreiben. Aber bei dem Thema, die Beteiligung von privaten Gläubigern an griechischen Unternehmen durchaus als eine Möglichkeit zu sehen, als eine Alternative zur kontrovers diskutierten Umschuldung, da könnte es möglicherweise ein paar unterschiedliche Positionen geben. Und was mich natürlich besonders interessiert, die Einführung der Finanztransaktionssteuer. Da haben wir bei unseren Fragen herausgekitzelt, dass sie trotz schwieriger Durchsetzbarkeit ein sinnvolles Instrument gegen fahrlässiges Handeln sei. Stimmen Sie da genauso zu? Ist das absolut lippensynchron? Ist das deckungsgleich oder gibt es ein paar Unterschiede, bei denen wir natürlich erfahren möchten, ob es möglicherweise eine geringfügige andere Orientierung gibt.

Insgesamt Ihnen ganz herzlichen Dank, es war ein Riesenvergnügen und – vor allem – Sie haben unheimlich viel Inhaltliches erreicht, das wollte ich schon jetzt mal sagen. Aber wir haben ja noch Gelegenheit, ein großes Merci auszudrücken.

4-053

Jean-Claude Trichet, *President of the European Central Bank***. –** I would like to make two or three remarks on the financial transaction tax. First of all I understand that it is something which is appealing to a lot of observers. It was introduced as a concept by Professor Tobin who is a great intellectual, if I may say. He himself said, by the way, that he would not necessarily call for the introduction of the so-called Tobin tax today.

We have to consider the following things. If we are not satisfied with the overall functioning of the financial system, is it right to put sand in its wheels? But perhaps, if the system is not working as it should, we should directly address what is not working well; not put sand in the system to slow it down and have the wheels turning less smoothly.

Another highly important issue I have already mentioned is competition. If certain transactions are considered to be more costly in Europe than in the rest of the world, then that business will go to the rest of the world. We can be sure of this, as we saw how the global market in euro bonds came from New York to London because of taxation making transactions more costly in New York.

There are real issues there: if we do something it must be organised at a global level. This is true for the financial transaction tax because the world is fully globalised and contains not only the advanced economy but also the emerging economies, which are taking its place.

We continue to say ‘emerging world’, but in some cases when I go there I have the feeling that these are wealthier societies and economies than those of Western Europe, Europe as a whole or the US. We are in a world which is transforming very rapidly. I would call for great prudence in introducing anything that is not global at the present moment.

You know our position. I apologise for not going in the direction you are suggesting because I am impressed by the growing sentiment that something of this kind should be done. But it is our duty to look at the big picture. Let us be sure that we do not do something that we might one day regret.

4-054
Chair. – Mr President, as always, thank you for your participation in this hearing and I wish you a very good summer – maybe a quiet summer. Perhaps it was much easier to resolve the problem of countries in financial difficulties when you were running the Paris Club. I always remember the negotiations between Romania and the Paris Club in 1982-1983 when Romania rescheduled its external debt. It was much easier.

Thank you very much again. We very much appreciate what you have done for the European Union, the euro zone and maybe for a global resolution of the problem.

(The meeting closed at 11.20)