

## Eurobond 'could solve crisis'

Charter, David. **The Times** [London (UK)] 10 Apr 2013: 38.

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### **Abstract (summary)**

The crisis in the 17-nation eurozone would "vanish into thin air", the veteran financier said, if they converted their government bonds to a common eurobond.

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### **Full Text**

George Soros urged eurozone countries last night to issue joint bonds with or without Germany in an effort to save the European Union.

The crisis in the 17-nation eurozone would "vanish into thin air", the veteran financier said, if they converted their government bonds to a common eurobond.

Germany's long-standing opposition to eurobonds was jeopardising the future of the currency and Berlin, at the very least, should allow the others to save the euro by leaving it, he told an audience in Frankfurt.

"Germany has the right to reject eurobonds," Mr Soros said in a lecture at the Centre for Financial Studies, "but it has no right to prevent the heavily indebted countries from escaping their misery by banding together and issuing them."

Germany's "preferred choice", before elections in September -- of "doing the minimum to preserve the euro, but nothing more" -- eventually could destroy the European Union, Mr Soros said.

He predicted that after five years of eurobonds, sovereign debt in the eurozone would be reduced to 60 per cent of GDP and Italy would save up to 4 per cent of its GDP. "Its budget would move into surplus and fiscal stimulus would replace austerity."

Credit: David Charter Berlin

### **Illustration**

Caption: Soros: criticised Germany's stance

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