

Poullain: Leave the Euro!

Ludwig Poullain (92), the former CEO of Germany's Westdeutsche Landesbank (West LB), wrote in [Cicero](#) magazine on Oct. 8, that the euro system does not have the slightest chance of survival. His article (in German) is titled "Time for a Clean Break with Euro Bailouts." Helga Zepp-LaRouche's article here gives the gist of it, but many other features are worthy of note, including the following:

"All the rescue packages so far have proved useless, and they will continue to be so. The money paid out is gone, and the euro rescue is one big fiasco," he writes.

"Even before there is a rescue action for Italy, we will experience a giant blowout, something like a currency-policy Big Bang, which will let the euro house of cards implode. But to the great surprise of everybody, a closer look at the shambles will show that the values and substances deposited in the safe

are preserved, and that a sound new system can be created from them."

Poullain analyzes the reasons for Europe's crisis, including that with the introduction of the euro, France, Italy, and Spain "consciously neglected their industry. Instead of a vigorous industrial society, they took the easier route of the service sector." This eliminated millions of industrial jobs, and "as a further consequence of this deindustrialization, the GDP of these countries will not be able to grow significantly in the future, and therefore the state debt will have to rise. All the Fiscal Pacts in the world can do nothing to change this."

But Germany is in a stronger position, in part because under the Bretton Woods System of fixed exchange rates, it had been forced to devalue its currency against the dollar. The result was that German industry had to improve its products and its productivity, and its exports became more and more competitive. "The foundation of [our] high standards today was laid in those years."