

Economist Demands Schacht Solution for Euro

Aug. 16—Richard Werner, a German-born economist at the University of Southampton, England, called for a Schachtian plan to save the euro, in an interview with the Aug. 16 *Daily Telegraph*. Werner is credited for having invented the term “quantitative easing” in 1994, in proposing a money-expansion policy to Japan. Now he is exposing the fascist content of his program, by opening citing Hitler’s economic guru, Hjalmar Schacht, the author of the Nazi’s austerity policies, as model.

Reporting on Werner’s current proposal, James Hurley wrote in the *Telegraph*: “Hitler’s central banker, Dr. Hjalmar Schacht, knew how to deal with a Great Depression, Prof. Werner tells us. He argues it’s about time we revived his sage economic ideas now.

“Firstly, the plan involves the European Central Bank buying the banking system’s bad assets at face value, which Prof. Werner says would not cost taxpayers or cause inflation.

“Next—and here’s Dr. Schacht’s 1930s magic—the Spanish government and others should stop selling pricey government bonds entirely.

“Instead, they should fund themselves through loan contracts from banks in their countries, which Prof. Werner says would result in cheaper sovereign borrowing.

“All very appealing—but shouldn’t we be wary of using ideas favored by the Nazis?”

“‘If we don’t want to adopt economic policies on the basis that they were favored by Hitler’s government, which is an understandable viewpoint, then we should not have introduced the euro in the first place,’ Prof. Werner responds.

“‘The introduction of a single European currency, with the central bank located in Germany, was, after all, favored by Hitler and his technocrats.’”