

The Nineteen Eighty-Four arrived in 2011

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"If freedom means something, it is the right to tell others what they don't want to hear."

George Orwell

It was when I realised that Angela Merkel will never accept the emission of *Eurobonds* that it strike me and I was able to finally name the feeling that I was having for a while. I fear that today's Europe is a hostage of the "doublethink"! The younger ones, or the less fond of reading George Orwell literature, surely will not be familiar with the "doublethink" concept, however, I can imagine that many amongst you readers are just now recovering small pieces of images formed by the brilliant sentences that came out of Orwell's feather to forever rest in one of his best works: "Nineteen Eighty-Four". Maybe you are just now putting objections to the first lines of this text.



I am, however, pretty sure that today, our political and financial universe is prostrated to the strange concepts written in "Newspeak" language. In order to get to my point, it is necessary to explain the concept of "doublethink". It is the ability to sustain two different opinions at the same time, given that those two opinions are contradictory amongst them. The capacity of holding in our minds two different beliefs, even knowing that one of them is completely wrong. To know that one thing is truth, but truly believe that it is a lie instead. It means, in few words: reality control!

This statement was matured. Do not think that this was something that invaded me during the night while I was hoping for the dreams to come, something that fulminated me on a freezing morning while I was waiting for the sweet comfort of a hot cup of coffee or even something that occur to me during a busy work day, even though it was present in those moments! It was something that grew, and matured in my spirit. First it was diffused and non-nominated, than it became a little bit clearer as the time flew by. And finally it was an absolute truth. I released myself of my own "doublethink" and embraced the truth. So let's take a look:

The Collapse in the Euro Zone is imminent! Unless some unexplainable miracle happens, neither Greece, nor Portugal, Spain, Ireland or Italy will be able to maintain their memberships of the Euro Zone. The case scenario is quite obvious: the high debt countries will not endure to support heavy interest rates because their debts are already unbearable. By not being able to pay their debts, those countries will never be capable of creating the necessary conditions to recover the investors' and the markets' trust. And if that credibility remains unrecovered, it will be a problem with no solution whatsoever.

Even though it is only a step forward towards a solution, and not the solution itself, it is unequivocally necessary to turn the European Union into a whole financial reality. To obtain such a

goal, a new market must be created through the emission of Eurobonds (some economists advance with a number superior to 8 billion Euros, which would mean the second greatest market in the World). The investors would be drawn into this market because it would be much more reliable. Another obvious benefit of the Eurobonds would be the reduction of the interest rate spreads to the sovereign debts of the Euro Zone memberships. All members except for Germany. And this is, I believe, the core of the problem. It is the main reason why the German Minister of Finance, Wolfgang Schäuble, has completely rejected the Eurobonds to finance the debts of the Euro Zone members, claiming that for such a thing to happen, the "European Treaty would have to be amended. "We have to solve the crisis within the existing treaty," Mr. Schäuble said. Also the German Minister of Economy, Philipp Rösler, is against the Eurobonds, stating that "In a Europe where every member should be responsible, I believe that the emission of Eurobonds is not the correct path". The Germans are capable of seeing the truth; they understand that Europe cannot continue to follow their plans; however they choose to disregard this truth using the "doublethink". Only this explains the statements of Merkel's cabinet. Not even the German argument of the pressure release over the Euro Zone members to reduce their deficits, that the emission of *Eurobonds* would grant, is unacceptable. Has this pressure worked? How is Greece? Has the situation improved? Not really!

Closing their eyes to the truth, Germany intends to create a Euro Zone at its own image, however, as time passes by, there is the risk of turning the European Union more and more likely to Greece. Like Joseph Stiglitz (Nobel of Economy in 2001) says "if the Euro Zone decides that the only way to continue is through the issue of Eurobonds, than Germany will have to leave Euro". And continues stating that the Eurobonds "are even now a reality, but in a non-transparent way". What Stiglitz means is that today the European Governments are financed by their Banks, and those Banks use government securities to get financed by the European Central Bank. If that diffused mechanism, which really acts like the issue of a Eurobond, is used, why does Germany back down?

If they realise that this is a way out of the crisis, and that the time is passing by leaving no hostages, why do they not show some signs of wanting to negotiate? The explanation appears now to me to be really simple and it is now that we return to the first sentences of this text: when doomed to the "doublethink", a person does not simply say the opposite of one's thoughts, one really thinks the opposite and is capable "to think that black is white, to believe that black is white and to even forget that one has ever believed the contrary" . Isn't that what Germany has been doing?

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"Nineteen Eighty-Four" Part II, chapter IX - «The Theory and Practice of Oligarchical Collectivism», George Orwell, 1949;