former Bundesbank director, Wilhelm Noelling. Informed Bonn sources place the odds of that challenge disrupting the forced march to the EMU, however, as "at best 10-15%."

Assuming that the German Constitutional Court does not act to block the EMU officially, the euro becomes legal currency on Jan. 1, 1999. That date is fixed by the Maastricht Treaty.

According to senior officials of several large European multinationals who have had to prepare their firms to join the EMU, the euro will trigger huge new rounds of corporate layoffs across Europe. This will hit the large transnational companies with facilities in many European countries especially hard. The reason, quite simply, is that under the euro, all 11 countries (assuming Italy makes the grade) will have one currency. This will eliminate present currency fluctuation risk, a major barrier to cross-border mergers and trading until now. And mergers mean savage cost-reduction and downsizing.

A highly confidential Brussels study, which was suppressed because it was too politically explosive, states that after the EMU launch in January, the next major round of corporate downsizing will see perhaps 10 million jobs more disappear permanently from Europe's largest companies and banks. Already, official joblessness in Germany and France, as well as most other EMU aspiring states, is above 12%, a level not seen since the 1930s.

## Why bother?

The obvious question is, if the EMU is not going to bring prosperity or jobs, why should voters bother to surrender one of the most precious tenets of national sovereignty on the altar of monetarist technocrats of the European Central Bank?

One answer is that European citizens have scrupulously been kept from having any vote on the euro. In Denmark, the one country where a referendum was held, in June 1992, the euro lost. Denmark, as a result, will not be among the starters. Since then, with the exception of a highly manipulated vote by France's President François Mitterrand in 1992, there has not been any chance for voters to have a full, open debate and vote. The plan is simply being rammed down the throats of the European population, while the Brussels Commission spends millions in taxpayer money to finance a pro-euro media propaganda blitz.

The reason why European politicians risk such an unpopular course is not fully clear. One simple answer is that the largest source of political party campaign funding comes from the very same giant multinationals and banks that back the EMU. There are more reasons than this, however.

Some EMU advocates, such as Britain's EU Commission Vice President Sir Leon Brittan, or French Finance Minister Dominique Strauss-Kahn, have given hints. Both have justified the sacrifices involved in creating the euro as necessary to forge an alternative world reserve currency to the U.S.

## Soros on monetary reform

British-owned speculator George Soros was interviewed by Israel's Shimon Peres, in the Italian magazine *Liberal* of March 12. Among the topics of discussion was monetary reform, and Soros called for a "new Bretton Woods"—making it clear that what he has in mind is an instrument of British-dominated world government, modelled on the British Empire itself.

"On an international scale," Soros says, "we need some global regulating institution, in the Bretton Woods spirit. . . . If we do not create institutions aimed at preserving stability of international markets as well, then we will go towards a crash.

"The global capitalist system is based on a belief, on the false assumption that, if all this activity of private capital were left alone, the whole system would tend to stability. As the Asian crisis demonstrates, this is simply false. It is not unstable because of some external shock: It is intrinsically unstable." Soros then differentiates between "private technocrats" who, by pursuing individual profit, destabilize the system, and "public technocrats," such as central bankers, who play a regulating, stabilizing function. He calls for "the idea of a global central bank or a control function given to 'stability technocrats.' But in addition to this, those countries that have not done it, must open to democracy." Soros says, however, that his idea "could be implemented only after a crash."

"Left alone," Soros affirms, "states do not maintain peace. We need an international organization aimed at keeping peace. *It can be an empire, or a balance of powers. Or it can be some sort of international institution.* Current international institutions . . . cannot succeed because they are formed by states, and therefore they are instruments of state interests. During the Cold War there was a balance of powers. Today America is the only superpower left, but it does not have the capacity to be the world policeman. In the 19th century, we had a global capitalist system as well, and *it was Great Britain, representing the imperial power, that maintained stability,* until it entered into a conflict with the other imperial powers (Prussia, the Austro-Hungarian Empire, the Ottoman Empire) and peace was destroyed. Currently, we have no system of peace. We do not have balance of powers, and no imperial power either" (emphasis added).