

Hankel's Decade-Long Fight Against the Euro

Wilhelm Hankel and three other prominent German economists challenged the constitutionality of the euro in German court, more than 11 years ago.

Hankel, Wilhelm Noelling, Albrecht Schachtschneider, and Joachim Starbatty submitted a legal initiative to the country's constitutional court in Karlsruhe, charging that at least four articles of the Constitution were violated by the European Monetary Union (EMU) and its then-envisioned transfer of sovereignty: Article 14 (guarantee of property), Articles 20 and 28 (guarantee of the social welfare system), and Article 38 (sovereign, democratic rule).

In interviews published Jan. 13, 1998, Noelling and Hankel, both former members of the German central bank council, explained why they took the

government to court. Noelling presciently told the daily *Sächsische Zeitung*: "We think that the future currency will not be a stable one."

Hankel told the daily *Tagesspiegel* that what motivated them to file the suit was concern that "probably the most important article of the German Constitution, Article 38, which means that no German government can have a mandate to govern against the nation," is violated by the government's EMU policy.

As reported in the Feb. 27, 1998 *EIR*, Hankel also referred to Articles 14 and 20, which define Germany as a social welfare state, as being undermined by the clauses of the Maastricht Treaty which banned sovereign economic initiatives, such as those to fight mass unemployment and corporate collapse. The EMU was a script for deepening economic depression and expropriation of social rights and savings, Hankel and Noelling argued. As Professor Hankel reports in his speech published here, the court rejected their arguments.