

Address given by Klaus Kinkel on the introduction of the euro (3 May 1998)

Caption: On 3 May 1998, following the Extraordinary European Council held in Brussels, Klaus Kinkel, German Foreign Minister, emphasises the implications of the transition to the third phase of Economic and Monetary Union (EMU), due to take place on 1 January 1999, and of the introduction of the single currency.

Source: Kinkel zur Entscheidung der Staats- und Regierungschefs der EU, den Euro in elf Teilnehmerländern fristgerecht zum 01. Januar 1999 einzuführen. [ONLINE]. [s.l.]: Auswärtiges Amt, [20.06.2005]. Disponible sur http://www.auswaertiges-amt.de/www/de/infoservice/presse/presse_archiv?archiv_id=622.

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Last updated: 05/07/2016



Address given by Klaus Kinkel on the decision taken by the Heads of State or Government of the EU to introduce the euro in 11 participating countries on the scheduled date of 1 January 1999 (3 May 1998)

‘The introduction of the euro is a quantum leap in the development of Europe. Against this background, the regrettable sideshow surrounding the appointment of Wim Duisenberg as President of the European Central Bank must be kept in proportion. At this time, we need the best man for the job to run the European Central Bank. He is a guarantor of solidity and stability. The introduction of the euro on schedule in 11 participating countries on 1 January 1999 has enhanced Europe’s standing in the world as we prepare for the 21st century. A historic decision has been taken that will radically change the relative weight of Europe, and hence of Germany too, in an ever-shrinking world. That historic decision was taken yesterday. It would certainly have been preferable if the appointment of the President of the Central Bank had gone more smoothly. The turmoil that preceded the election of this highly-qualified Dutchman, however, must not be allowed to overshadow the key decision to go ahead with the introduction of the euro. The best candidate has now been elected. The new President, Wim Duisenberg, through his own independence and in conjunction with the work of the ECB and the rules of the Stability Pact, guarantees the absolute stability of the euro. He will oversee the crucial introductory and initial phases of the euro, and he enjoys the implicit trust of Europeans. For economic reasons and for European and global reasons, the euro is a compelling necessity. For the first time in global monetary history, a genuine alternative has emerged to the dollar and the yen in the form of the euro. This increases European companies’ prospects of competing successfully and will therefore safeguard jobs and promote employment in the long run, too. New jobs will not emerge overnight, but they will materialise in the longer term. Moreover, the euro will lend fresh momentum to the political unification of Europe in terms of the common foreign and security policy and the institutional adjustments that we urgently need with a view to the enlargement of the EU. The importance of the euro to Germany and Europe becomes even clearer if we look beyond the confines of Bonn and Brussels. Now that the East-West confrontation has ended, the old bipolar world no longer exists. New global standards now apply to Germany and Europe. Through the euro, Europe is pooling its economic power, closing the gap on the United States and Japan and even preparing to move into the overtaking lane. The euro will also make Europe an international financial power. Experts have estimated that some 35 % of global commercial transactions will be settled in euros in the medium term. Once the people of Europe have this currency in their pockets, it will also heighten their sense of European identity. I am convinced that this will also trigger the spread of a greater sense of community within Europe. The decision to introduce a common currency has finally discredited the claims of the pessimists and denigrators. It signals the triumph of determination and the ability to reform in Germany and in Europe. The will to shape the future is overcoming the forces of doubt, of scepticism and of hesitancy. The Federal Government has shown leadership in this matter. Patient campaigning for what it recognised as the right course of action has now finally borne fruit. The task of politicians is to imbue Germans with the same faith in the euro that they have placed in the Deutschmark. I am sure that we shall manage to do this. On the other hand, our citizens themselves must play their own part by using the numerous highly informative brochures issued by the banks, savings banks and other institutions to find out about the practical implications of the euro. While politicians are undoubtedly duty-bound to make this information available, the public are equally duty-bound to use it. I am certain that the people of our country will indeed recognise the significance of the euro as a key to the future of Germany and of Europe.’