



Klaus gives speech on EU at Cato Institute

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The working of the EU is wrong, but it is not necessary to dissolve it, former Czech president Vaclav Klaus said in his lecture delivered in the conservative Cato Institute think tank yesterday.

As far as the currency union is concerned, it is only possible in eight countries at most, but not in 17, Klaus said.

Klaus said he did not believe it was necessary to annihilate the EU, which he had never proposed.

It is still possible to make fundamental changes inside its structure, Klaus said.

He said he was convinced that the EU was in a blind alley, where a movement forward was impossible.

The EU has to return to the last crossroads and make different decisions, Klaus said.

Klaus's term in office expired on March 7.

Klaus said Greece was a victim, not the originator of the current financial crisis.

There is the question of whether to continue along this road or whether to make it possible for some countries to leave the euro zone, said Klaus, a trained economist, former Czech prime minister and Czechoslovak finance minister.

Klaus said he was sure it was possible to let one, two or three countries leave it and everything would be better.

Klaus compared the narrowing of the euro zone with the split of Czechoslovakia in 1992-1993 when the currency of the new countries, the Czech Republic and Slovakia, was separated.

At that time, Slovakia made up one-third of the joint, Czechoslovak economy, while Greece's share in the EU economic output amounts to 2 percent, he added.

Klaus said he had always combatted the erroneous concept of the social market economy.

He said he was sad at the new generation being unable to draw a lesson from the past, from the wrong centralist decisions.

Klaus said people in the former Czechoslovakia had paid little if any attention to the 1992 Maastricht Treaty that laid the new political and economic foundations for the cooperation of European countries.

At that time, the country was fully busy with its transformation, he added.

"Personally I was afraid of the EU entry (in 2004), but we had no choice if we wanted to be a normal European country with all pros and cons," Klaus said.