

Lawsuits Could Derail EU Bailouts

Contributed by Tom McGregor
Sun, Sep 9, 2012, 06:26 PM

The World Court in Hague supports transparency and stiff regulations. Accordingly, opponents of bailouts in the European Union can file lawsuits to halt the rescue of governments with bailout cash from Germany. The Houston Chronicle reports that, "an opponent of the eurozone's permanent rescue fund said Sunday that he has filed a new complaint to Germany's highest court after the European Central Bank unveiled a program to buy government bonds."

Peter Gauweiler, backbench lawmaker with Chancellor Angela Merkel's conservative party and staunch critic of the government's euro rescue strategy, is already one of several plaintiffs against the \$500 billion European Stability Mechanism. Germany's Federal Constitutional Court is expected to rule Wednesday on an injunction blocking the fund.

According to the Houston Chronicle, "Gauweiler's office said he filed a new complaint seeking an injunction that would prevent ratification of the ESM unless the ECB reverses Thursday's decision under which the bank could buy unlimited amounts of government bonds — if countries seek help from the eurozone fund." Gauweiler contends that the court should if necessary delay Wednesday's scheduled ruling to consider the new complaint.

To read the entire article from the Houston Chronicle, link here: Tmcgregordallas@yahoo.com