

GREAT DECISIONS DISCUSSION GROUP
(WWW.BEDFORDNY.COM)

KATONAH VILLAGE LIBRARY
January 22, 2013

10:15 A. M. – 12:30 P. M.

The Future of the Euro

Topic Leaders: Tyler Beebe and Peter Grunthal

AGENDA

10:15: Kickoff

- Welcome and Introduction of Guests & New Chapter Members
- Briefing Book Distribution
- Current Events Module -- Alternatives
- Topic Leader Presentation
- Group Discussion

*CHAPTER MOTTO - "DISCUSSIONS SHOULD BE CONDUCTED WITHOUT
FONDNESS FOR DISPUTE OR DESIRE FOR VICTORY" – BEN FRANKLIN*

SCHEDULE OF UPCOMING MEETINGS AND TOPICS

- February 5, 2013 -- **Humanitarian Intervention**
Topic Leader: Howard Jacobs
- March 5, 2013 -- **Myanmar and Southeast Asia**
Topic Leader: Charles Kimball
- March 19, 2013 -- **Threat Assessment**
Topic Leader: Gary Wenglowski
- April 2, 2013 -- **Egypt**
Topic Leaders: Mike Kornfield and Peter Kuniholm
- April 16, 2013 -- **Iran**
Topic Leader: Fred Piker
- April 30, 2013 -- **NATO**
Topic Leader: Tyler Beebe

- May 14, 2013 -- **China in Africa**
Topic Leader: Joe Adams

TODAY'S TOPIC

After more than 55 years of clear sailing for economic integration, Europe and its universal currency, struck a veritable iceberg in 2008. Flooding spread through Greece, Ireland, Portugal, Italy, Spain and Greece again. Five years later it still threatens the economic buoyancy of the entire continent.

A combination of economic hubris, regulatory failure, greed and unexpected exposure to developments on a worldwide scale, including the U.S. real estate bubble, are cited as reasons for the initial European crisis. But, the stress has also opened old cultural fault lines. Northern tier countries conscious of their traditionally low debt and high productivity see the southern tier countries as profligate, corrupt and inefficient. The southerners, on the other hand, look at calls for austerity as demands for them to delay efforts to improve infrastructure and catch up with the economies of the north. They also blame the creditor nations of the north for luring them into excess borrowing.

Can these differences be put aside to enable the continent to address its serious economic problems? Was the move to a unified currency premature? Will some of the 23 nations now using the Euro return to individual currencies? Or can the Euro system be modified to meet the needs of all the member nations? Must some (or all) of the creditors face the fact that they will never get some of their capital back?

What does this mean to the U.S.? As a single entity, Europe is the second largest economy in the world and America's biggest trading partner. If the Euro-zone breaks down, will trade become more difficult? If the Euro loses status as a reserve currency, will the status of the dollar improve, or will another currency move into competition? Should the U.S. get involved? Can the U.S. avoid involvement?

SUGGESTED READING

Great Decisions 2013 Briefing Book, Chapter One, **The Future of the Euro**.
Because of the delay in receipt of this year's briefing books, this material has been posted on the Great Decisions Katonah Chapter website at www.bedfordny.com/greatdecisions/

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