

## #StopAusterity – The petition

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The outbreak of the crisis in 2007 led to many states having to take out **emergency loans in order to save banks**. Money was tight and interests were increasing. Therefore, some EU countries had to face serious economic problems up to illiquidity. The usual response of relevant institutions and many economists is that this undesirable development can only be corrected by wage reductions and by cutting welfare expenditures.

Based on this idea, their solution strategy consisted of strict austerity policy and put high pressure on labour market and welfare systems **which impacted the living conditions of humans in a massively negative way**. Following the credo of “first make savings, then buy“, a strict austerity mandate was forced upon the European population. It did not leave any space for economic impulses created by public investments and therefore reinforced the acute effects of the financial crisis.

The notion of people having lived beyond their means has determined the political guidelines since the outbreak of the crisis. For this reason, many institutions demand to cut public spending, be it pensions, wages and salaries or unemployment benefits. This policy of savings leads to **a permanent repetition of cuttings** of public and private expenses and therefore to reduced social security. It is not, however, a solution for the actual problems of rising inequality, unregulated financial markets and recession, but reinforces the negative social impacts of the economic and financial crisis. **We are on the neoliberal wrong track.**

**We demand solutions which do not consider the economy as an end in itself but serve us, the humans.**

**We therefore demand:**

- **Coordinating economic policy:** A common, socially compatible economic policy for the Eurozone is needed. The implementation of a democratic and European economic fund is needed. Its aims are to coordinate monetary and fiscal policies in the interests of humans instead of corporations and banks, to remove imbalances and ensure a fairer distribution in Europe. Therefore, more people will benefit from prosperity.
- **Rebuilding the banking system:** Banks must be brought into service of the people again. For this reason, commercial and investment sectors have to be separated. This enables banks to fulfil their main task again – collecting deposits and granting credits. If banks work badly, they have to be able to go bankrupt in an organized way so a bailout paid for by the public will not become necessary.

- **Introducing Eurobonds:** Introducing Eurobonds means that Eurozone countries issue joint bonds for government financing and are also jointly liable. As a result, interest rates on government bonds will decrease and government financing as well as financing public projects will be facilitated. Joint liability strengthens the position vis-à-vis financial markets and takes the rating agencies' influence away.
- **Regulating financial markets:** Clear regulations for financial markets are needed in order to reduce the enormous complexity. Thus, financial products and business models which endanger the stability of the financial system have to be controlled or forbidden. The financial system has to be brought into service of the real economy again.
- **Introducing a financial transaction tax:** A financial transaction tax adds a percentage surcharge to every purchase and sale on the financial market. Short-term and speculative trading on financial markets therefore becomes unattractive. This leads to more investments in the real economy and therefore to higher employment and additional revenues for the states.
- **Enforcing fair distribution:** Fair distribution means to redirect capital from the financial capitalism to the real economy. This ensures the financing of public goods from education to health care. The people therefore can share in the surplus value they, ultimately, produce themselves.

**We demand to break with the neoliberal policies of austerity and speculation. We demand a Europe of social equalization and perspectives. We demand to #StopAusterity!**



[www.stopausterity.eu](http://www.stopausterity.eu)