Question for written answer E-009740/2014
to the Commission
Rule 130
Ernest Maragall (Verts/ALE)

Subject: Rising debt in debtor countries

It was claimed that 'embarking upon a difficult process of fiscal consolidation' was the only way of guiding debt levels back towards sustainability. There were others, however, such as stimulating economic growth.

Consolidation has led to the public suffering unnecessarily as a result of bailout schemes and has also increased the debt it was supposed to cut. Creditors' guarantees have indeed improved, but only because private debts have been turned into public ones.

Presuming that improving creditors' risk positions at the expense of the public in debtor countries was not the secret intention behind the policies put in place (and if it was, it looks to have been successful), and given that the stated objective has patently not been achieved:

1. What practical steps will be taken to solve this worsening problem and to compensate the countries that have suffered as a result of a failed policy?

2. With regard to the fact that an 'unmanaged' default by one Member State was prevented, and given that a debt on one side means that there is a credit on the other, the benefits of the failure to default must be felt on both sides. Is any calculation available of the extent of this for the creditors and for the debtors?