

‘Madrid, the “euro” summit’ from La Libre Belgique (18 December 1995)

Caption: On 18 December 1995, the Belgian daily newspaper La Libre Belgique describes the negotiations between the Heads of State or Government at the Madrid European Council which led to the decision to name the single European currency the ‘euro’.

Source: La Libre Belgique. 18.12.1995, n° 352. Bruxelles. "Madrid, le sommet de l'“euro”", auteur:van Caloen, Ariane; Lamfalussy, Christophe , p. 6.

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Madrid, the ‘euro’ summit

Everyone was talking about the euro, but not with any enthusiasm

From our special correspondents in Madrid

The ‘euro’ was born at the Madrid Summit in the great tradition of European compromises. It generated scant enthusiasm, and reduced all Heads of State or Government to accepting the lowest common denominator of a Europe with twelve official languages. That is what diplomats and ministers were saying this weekend after the decision was taken on the new name for the common currency.

As talks were held around the large, oval table at the Madrid Palace of Congress on Friday, each of the European leaders tried to propose alternatives, but ‘the decision was ripe and the ground had been well prepared’ by the Spanish Presidency, explained one diplomat.

The discussion lasted just two brief hours, combined with two others items that were quickly agreed on by unanimous decision.

As soon as the date was set for drawing up the list of participating countries (this will be in early 1998) and once the principle was established that most government bonds would be denominated in the single currency as of 1999, the Fifteen discussed, in a very relaxed atmosphere, the question of what name to give it.

CHIRAC WANTS TO HOLD CONSULTATIONS

Jean-Luc Dehaene took the floor first, arguing in favour of the euro as a necessary compromise. Others spoke of the florin; Finnish President Marri Ahtisaari even suggested the mark. The franken was put forward, provoking the irrefutable comment from Felipe Gonzalez, ‘Anything but Franco’. Even John Major joined in. The British Prime Minister saw the euro as lacking ‘a touch of dignity’ and put forward the crown or the shilling. Finally the Greeks wondered how to write the word euro in Cyrillic script.

Only Jacques Chirac made a last-ditch stand. He was one of the last to speak. We can live with the euro, he said, but ‘I have my doubts. Why the rush?’ It might be necessary to ‘consult public opinion’, meaning a risky referendum being held in each Member State.

The French President’s comment provoked strong resistance. Everyone, from the Germans to the Belgians, from the Irish to the Finns, demanded a decision. ‘For journalists, this is the only thing that matters,’ one of them said. Helmut Kohl pointed out that a referendum might be democratic, but that if one were to be held in Germany, it could result in a marked preference for the Deutschmark.

THE PRESIDENCY’S INFLUENCE

Felipe Gonzalez then took control of things. Noting agreement on the first two points, he called on the French President to reconsider his position. He said that the Spanish Presidency believed that a position had to be taken now, and that it opted for the euro. ‘Then I give in,’ answered Mr Chirac at around 12.15 p.m. Half an hour later the press was informed.

So the euro won the day but without the suffix that Germany had been demanding. We will not have the choice between euro-mark, euro-franc or euro-escudo but will have to settle for a single word. No one knows if it requires a capital letter nor what form the plural takes. Later the Swedish Finance Minister concluded by saying that ‘it was the only name we found that could win unanimous support’.

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