

**6 December 2010**

**Pre-budget statement**

Speaking in Dublin today prior to a pre-budget demonstration, People's Movement secretary, Frank Keoghan said: 'Foreign banks and creditors should lose everything they gambled on banks such as Anglo. We should repudiate their debt, but instead they are being saved by the taxpayer at the behest of a useless government and equally useless main opposition parties – the political elite of this country. It is an EU/ECB problem, so let them solve it.'

Pointing out that we are not alone, he said that 'a number of peripheral EU member states face similar problems to ours'. He maintained that 'big powers in the EU, particularly France and Germany meet outside the European Council to agree policy positions. Our government should similarly convene meetings of peripheral EU member states in order to formulate a common approach to their broadly similar problems.'

Keoghan suggested that 'the preparation of an orderly and structured withdrawal from the euro zone' should be top of the agenda, pointing out that 'a return to national currencies would enable Ireland to deal with its lost economic competitiveness through a currency devaluation – which would be expected anyway in such circumstances.'

'In that way', he pointed out, 'all our citizens would share the burden, not just workers and the poor and vulnerable. Foreign debts incurred in euros and the exchange rate at which they should be translated into the restored national currencies could be concerted with these other peripheral countries.'

'Though these measures would be difficult in the short-term', he said, 'they would stimulate the domestic Irish economy, giving us a competitive advantage and help counter the mass unemployment and emigration that is increasingly our lot. These exceptional times require exceptional solutions!'

In conclusion, Keoghan maintained that: 'It is the first duty of the state to protect all its citizens. We need to break whatever EU rules and treaties are necessary in order to protect the interests of the Irish people, to initiate a fundamental change in economic policy and in the process reorient our political values in a new direction.'

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