

# World News

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## Europe gets a vote of confidence for its crisis actions

PARIS  
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There was a general sigh of relief in the European Union on Thursday. The cause was not better performance in the troubled and highly indebted southern countries of the euro zone, but key decisions made in the richer northern countries

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with perfect credit ratings, where skepticism over the euro is running high.

Germany's Constitutional Court on Wednesday cleared the way for Berlin to contribute to the permanent bailout fund, the European Stability Mechanism, allowing the money to be used to recapitalize troubled banks as well as governments. And the Dutch voted for mainstream parties in a parliamentary election, choosing not to be enticed in great numbers by parties wanting to leave the euro.

Combined with the decision of the European Central Bank to restart its bond-buying program in return for more budget discipline, which immediately lowered interest rates on Italian and Spanish bonds, European leaders

could begin to feel that the worst may be over for the euro crisis, at least for now.

"With the Dutch shying away from anti-European parties, the same day the German Constitutional Court rules in favor of the E.S.M., Sept. 12 seems to have been a good day for the euro," Dimitry Fleming, an analyst in Amsterdam with ING, said in a note.

Of course Greece remains to be solved, and will probably need even more money, and a decision continues to be postponed about when, and whether, to grant Athens another big installment of loan money the country needs to stay afloat. The Germans remain deeply anxious about the E.C.B. effectively printing money and building up larger stocks of shaky bonds. There is also division among some member states, especially Germany, over the mechanism and scale of a European-wide banking regulator that would seek to prevent another banking crisis, especially in Spain.

And different ideas exist over just how far to take the idea of European fiscal and political integration, let alone union. The president of the European Commission, José Manuel Barroso, pushed on Wednesday in a major speech for "pooled sovereignty" and a European Union "federation of nation states that can

tackle our common problems, through the sharing of sovereignty in a way that each country and each citizen are better equipped to control their own destiny."

But any such major changes would require another E.U. treaty, which would mean difficult parliamentary votes or referendums in some member states. Germany, which has a federal system, has spoken of a treaty change to be ratified by popular referendum, but centralized France, even under its Socialist president, François Hollande, is highly

Parties that advocated leaving the euro failed to win over Dutch voters in parliamentary elections.

dubious about sacrificing too much sovereignty — not to speak of engaging in a popular referendum.

In 2005, the Socialist Party in France split over a new treaty for a European constitution — Mr. Hollande supported it, but his current foreign minister, Laurent Fabius, did not. And the proposal was soundly defeated in a French referendum, dooming the constitution. So there is considerable wariness in

Paris about too explicit an integration.

That will be true in the Netherlands, too. Prime Minister Mark Rutte, who won an important victory on Wednesday, one of the few European leaders to retain office in this crisis, is hardly a fan of European integration. He has opposed more loss of Dutch sovereignty and mocked the European flag during the campaign, in his successful effort to take votes from the far-right party of Geert Wilders, with whom he had been allied in the previous government. More important, Mr. Rutte has vowed that he will refuse to give Greece more loans, even though the country is likely to need a third bailout.

Mr. Rutte, 45, is a firm ally of Chancellor Angela Merkel of Germany in her push for more fiscal discipline and budgetary oversight in the euro zone. But as the leader of a much smaller country, he appears to be far more reluctant than she to contemplate more shared sovereignty and additional powers for Mr. Barroso and Brussels bureaucrats.

His line proved successful with the Dutch, who expressed considerable worry in the campaign about their money and how it would be used, with a widespread sense of fatigue about the problems of Greece and other southern

countries, which richer northern countries have been asked to help solve.

In nearly final results on Thursday, Mr. Rutte's center-right Liberal Party won 41 seats out of 150, 10 more than in 2010. The center-left Labor Party, led by Diederik Samsom, a smooth nuclear physicist and former Greenpeace activist, came in second, with 39 seats, an increase of 9. Mr. Wilders's Freedom Party and the Socialist Party, both playing on skepticism over the euro, tied for third with 15 seats each.

That was a loss of nine seats for Mr. Wilders, who was punished by voters for what many considered irresponsible behavior in April, when he pulled down the relatively new government because of his refusal to accept spending cuts to bring the budget deficit down to 3 percent of the gross domestic product, as Brussels demanded. Mr. Wilders called for the Dutch to leave the European Union altogether, not just the euro, and that appeared to be too extreme for many of his previous supporters, who went back to Mr. Rutte's party.

"In Brussels they are having a party," Mr. Wilders told his disappointed supporters. "That's a pity." He vowed to continue the fight against immigration, Islam and Brussels.

The Christian Democrats, who once ran the country, fell again to 13 seats, down 8, while the pro-European centrists, D66, won 2 more seats, for a total of 12.

Mr. Rutte and Mr. Samsom are expected to form the heart of a new coalition, but negotiations could be lengthy.

"There are two clear winners who are substantially different from each other," Jozias van Aartsen, the mayor of The Hague, told Dutch radio.

In its campaign, Labor called for higher taxes and a slower pace of cuts in order to allow for fiscal stimulus at home, said it would give Greece more time to fix itself and promised to scrap a mortgage tax credit for homeowners.

Because the two parties together do not control a majority in the upper house, analysts expect a final coalition to include both D66 on the left and the Christian Democrats on the right.

But all these parties are fundamentally in favor of the Netherlands, a country that thrives on trade, remaining in the euro zone and the European Union, which absorbs 75 percent of Dutch exports. With the Netherlands being one of the few AAA-rated countries remaining in the euro zone, the European Union needs the Dutch, too.