

Banker's Bards Tell it All

Angela Merkel has expressed "contempt" for the disgraced Anglo Irish Bank executives caught on tape mocking Germany's involvement in the institution's €30bn (£25.7bn) bailout.

The German chancellor delivered a strong condemnation of the revelations, which have emerged in recordings of Anglo Irish management as they discussed a 2008 bailout by the Irish state, followed soon after by a full-blown rescue of the country by international authorities.

"I really have nothing but contempt for this," said Merkel. "It really damages democracy, the social market economy and everything that we are working for." Sounding outraged, three months before a general election where Germany's role in shoring up the eurozone will be a sensitive issue, Merkel added: "This is simply very hard to swallow for people who go to work normally every day, who earn their money."

In one excruciating exchange on the tapes, an executive giggles as a colleague recites "Deutschland über Alles" to mark the fact that an Irish guarantee of bank deposits had lured German savings to Dublin.

The Irish taoiseach, Enda Kenny, admitted in the wake of Merkel's comments, at a summit of European Union leaders on Friday, that the furore had damaged the country's standing.

Describing the revelations as a "thunderbolt", the prime minister said: "This has damaged our reputation." The tapes were leaked to the Irish Independent just as the country ends its six-month rotating presidency of the EU.

The tapes, Kenny said, "show the contempt and the arrogance and

the insolence of senior personnel working in that bank towards everybody, towards government, towards citizens, the impact on every company, every community, every family in our country. They shine a bright light on the vulgarity of what went on there." On the tapes, the bank's former director of capital markets, John Bowe, that he picked the initial bailout sum of €7bn "out of my arse".

Attending his first meeting with EU leaders since the scandal erupted in Ireland, Kenny said that everyone at the summit understood that the misdemeanours were from the past and predated his premiership. He promised judicial and parliamentary inquiries as well as criminal proceedings, where warranted.

"We do need to be able to examine the culture of the so-called tiger years which led to this situation of a toxic nexus between the banking world and the world of government and senior personnel," said Kenny. "These tapes from Anglo are actually a thunderbolt, but they shine a light on a very dark period of Ireland's recent past that we want to get away from."

Kenny described the scandal as a "sad saga that has affected every single family, every single person, every single company and every single community in our country ... The people who worked the system, who controlled the system, who were the system, they have a lot to answer for."

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