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## Europe defers major debt decisions for 10 days

**GREG KELLER**, Associated Press 

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BRUSSELS (AP) — European finance ministers deferred action on the outlines of a plan to shore up the euro Wednesday, delaying the big decisions until their bosses meet next week.

The meetings Tuesday and Wednesday have yielded nothing concrete about what will emerge from the EU leaders meeting Dec. 9. But there's growing speculation Europe is readying a plan to tie the 17 countries that use the euro closer together with stricter budgetary rules. That, analysts said, could allow the European Central Bank to take a more central role in the crisis — seen as crucial to stabilize the debt crisis that's seen three countries already bailed out.

Markets appear to be giving Europe the benefit of the doubt, especially after the world's leading central banks said jointly they would make it easier for banks to get hold of the dollars they may need.

The forbearance in the markets is unlikely to last long though, especially if the summit next week fails to match expectations.

The EU's leading economic official indicated that time was running out to finally get a grip on a crisis that's threatening the future of the euro currency as well as undermining the global economic recovery.



German Finance Minister Wolfgang Schaeuble, second right, speaks with Spain's Finance Minister Elena Salgado, left, and Dutch Finance Minister Jan Kees De Jager during a round table meeting of the eurogroup at the EU Council building in Brussels on Tuesday, Nov. 29, 2011. The 17 finance ministers of countries that use the euro converged on EU headquarters Tuesday in a desperate bid to save their currency and to protect Europe, the United States, Asia and the rest of the global economy from a debt-induced financial tsunami. (AP Photo/Virginia Mayo)

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"We are now entering the critical period of 10 days to complete and conclude the crisis response of the European Union," EU Monetary Affairs Commissioner Olli Rehn said.

Wednesday's meeting in Brussels has brought in the 10 non-euro finance ministers from the 27-nation EU, who have been pressing for a swift solution for fear that their economies will suffer. The ministers from the 17 eurozone nations met on their own the day before.

Sweden's Anders Borg said Wednesday there was no more time to waste and that the markets don't provide "any honeymoons" for any countries that stray from fiscal austerity.

Many economists say the nations that use the euro have little choice but to back proposals for much closer coordination of their spending and budget policies.

"If the eurozone is to survive, there needs to be more fiscal union," said Eswar Prasad, an economics professor at Cornell University in the state of New York.

Without a plan that the markets believe in, the eurozone faces the prospect of an unappetizing breakup, that could spark chaos around the global economy.

Polish Finance Minister Jacek Rostowski, whose country holds the rotating EU presidency, said that while he "excludes" the possibility of the euro breaking up, "that possibility could become real danger" unless action is taken quickly.

Rostowski said Wednesday's action by major world banks to provide liquidity to the financial system was "very helpful," but not sufficient to address "the root cause" of problems in Europe's sovereign debt market.

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