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50 years anniversary of the European Federation of Building Societies

Luxembourg – The European Federation of Building Societies (EFBS) is celebrating in October 2012 its 50th anniversary. Its members are unified by the idea of accumulate savings as a part of stable housing finance. **President Pfeiffer** reminded at the conference in Luxembourg of the long battle of the Bausparkassen against Anglo-Saxon tendencies which are based on unstable housing finance methods in order to achieve higher returns. “The Bausparkassen as specialized credit institutions have been proven as stability anchor”, said **Pfeiffer**.

The intention to regulate the mortgage credit has been intensively followed by the European Commission and by the EFBS since 1973. The first debate on deposit guarantee schemes took already place 1985. **Pfeiffer**: “Even in the current discussions on the reforms of the banking market within the EU it must be a priority to respect national diversity and take low risk banking models of specialized credit institutions into account.

Pfeiffer pointed to the risk of an upcoming inflation. The European Central Bank is floating crises shaken banks with huge amounts of cheap money. She is running the risk to become the servant of the politicians. The real interest rate is in many countries already negative, saved money will lose its value. Many consumers are investing in tangible assets and therefore prices of real estate, the stock market and commodity prices will go up. “This implies the risk that home ownership will be unaffordable for the average consumer”, explains **President Pfeiffer**. “Home ownership shall not be a privilege for wealthy people or institutional investors.”