Euro collapse would cost 11 pct of Austria's GDP: study

VIENNA, Nov. 4 (Xinhua) -- A complete collapse of the euro would cost Austria up to 11 percent of GDP by 2016, an economic institute study released on Sunday showed.

The Austrian Institute of Advanced Studies (IHS) said under a worst-case scenario in which the euro would collapse, GDP would drop 10.75 percent compared to an alternative positive scenario, and 157,000 more people would be unemployed.

Under a Greek-only exit from the European Union (EU) there would be "relatively little" impact on the Austrian economy with an expected 13,100 more unemployed in the first year of such an event, the report added.

According to the study, a joint departure from the EU of Greece, Spain, Italy, Portugal, Ireland, and Cyprus would be considerably worse, in which case Austria's GDP would drop 7.5 percent by 2016 and result in 80,000 more unemployed.

"The simulations clearly show that under the shown scenarios, the basis scenario (survival of the euro and radical reforms) is the most positive," said IHS Director Christian Keuschnigg.

He added that the cost for further "muddling along" in the European area had not been calculated into the study, as in this case a euro-collapse could not be avoided.