



## **“The Voice of SMEs in Europe”**

### **Press Release**

FOR IMMEDIATE RELEASE

#### **Macro Economic Dialogue: UEAPME blames Europe’s decision makers for current economic lacklustre**

**Brussels, December 02nd, 2002.** On the occasion of a meeting of the Macro Economic Dialogue held in Brussels today, UEAPME, Europe’s SMEs employers association, restated its criticism towards European decision makers for the current economic downturn. While welcoming the Commission’s proposals for a better interpretation and implementation of the stability pact, UEAPME also reiterated its call on the ECB for an interest rate reduction by 0.5%.

“All economic experts tell us that at the moment there is room for an interest rate reduction without risking inflation. I think that for the sake of private consumption, investment and public budgets this opportunity must be seized” **Hans Werner Müller**, UEAPME’s Secretary General argued during his address. According to Müller, due to the shrinking investment and low level of private consumption, a reduction of the interest rate would not produce an inflation push. In UEAPME’s view an interest rate reduction would not only support investment and private consumption, but also help ease the budgetary situation in several Member States.

Nonetheless, an interest rate reduction alone would not be enough for an economic recovery in Europe. In UEAPME’s point of view an urgent reform on the labour market is also necessary as Müller commented: “We have noticed in recent Commission forecasts that in the current framework of high-regulated labour markets, the unemployment rate can not go below 8.6% without pushing inflation. This got to be a warning signal for some trade Unions. If they want more jobs they have to act accordingly.”

Müller went on to stress the importance of the implementation of the Lisbon targets, “I know it is mind-numbing to keep on stating that the reforms promised in the framework of the Lisbon process have to be put into practice, but I will repeat this until real progress is made and until the decision makers in charge do their job” he concluded.

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