

## **EMERGENCY STATEMENT**

### **The European economic situation**

*Statement approved by the ETUC Executive Committee  
Brussels, 26-29 May 2003*

The 10th ETUC Congress is deeply concerned by the very serious economic and social situation in Europe.

Deflation, and a consequent vicious spiral of increasing unemployment, decreasing growth, and worsening competitiveness, must not be allowed to gain hold.

The ETUC and its member organisations are committed to vigorously resisting attempts to use the crisis to dismantle the European welfare state.

Congress insists that the European institutions and Member States take urgent steps to address the crisis and to get back on track for meeting the Lisbon full employment and competitiveness objectives.

On the basis of its Action Programme, Congress in particular calls for :

Ø the ECB to make urgently a significant reduction of interest rates to stimulate growth and to combat deflation;

Ø Ecofin to agree an emergency package of coordinated measures, consistent with the Lisbon goals, in order to strengthen demand by at least one per cent of GDP, centring in particular on investment in education and training, R&D, environmental technologies, and trans-European infrastructures;

Ø the Stability and Growth Pact to be reoriented to ensure that it genuinely promotes growth as well as stability.