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Échange entre Alain Lipietz et M. Duisenberg

Mr Duisenberg et la récession européenne

- Député européen (Verts, France) - Économie - Le contrôle de la Banque centrale européenne -

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Mr Lipietz (Greens/EFA/F)

Mr President, thank you for the details which you have given about the development of your policy following the attacks of 11 September. I would like to come back to the trends which were emerging well before 11 September. One year ago, you made a statement before us that nothing indicated that the new economy was enabling an acceleration in productivity gains, and therefore in potential growth in Europe ; so we should not exceed a growth rate of between 1.5 and 2%, and your duty to avoid inflation was to prevent actual growth exceeding potential growth, and that was the reason for maintaining high interest rates. Indeed you have won across the board, as between the month of October 2000 and October 2001, industrial production has fallen by 2.7%, according to a very consistent trend. We have only seen a fall in the level of economic activity in Europe since you are following this policy. So my first question is, do you think that the fall in economic activity in Europe is sufficient to eliminate the overheating which you identified at the end of 2000 ? Secondly, as inflation has fallen, you say that the level of real interest rates is historically low. But for the two largest powers of the EU, Germany and France, which have inflation rates of 1.3-1.5%, the real level of interest is actually rather high historically. Can you tell us what your reference is for the real interest rate ?

Mr Duisenberg

To quote some figures, for the euro area, the short term real interest rate for the period 1981 to 1998 can be estimated at 4.6%. The current value for the period 1999 until October 2001 is 1.9%, so that is dramatically lower than the historic value has been. For long term interest rates, the real interest rate for the euro area for the period 1991 to 1998 is estimated by the ECB at 5.2%. For the period 1999 to October last, it can be set at 3.0%. So both for the short term and the long term, real interest rates are, one might say, historically very low.

Mr Lipietz (Greens/EFA/F)

In any case, the real interest rates are higher than the growth rate, which is not normal according to economic theory. You have seen that your colleague from the US Federal Reserve has set a level of interest which is below that of inflation, that is to say a negative interest rate. So, I would like to know if it is normal that the short-term interest rate is above the growth rate of the economy ? What are you thinking of doing for those virtuous countries where the inflation rates are lower, and therefore suffer from rather punitive interest rates ? On the other hand, I would like a reply to my first question, do you feel that the drop in industrial activity over a year is sufficient to take the growth rate below the potential growth rate, or do you intend to continue to cause industrial growth to fall in Europe ?

Mr Duisenberg

Regarding the current rate of the real interest rates, I can give them only in ranges : they are estimates. For short-term real interest rates we estimate them to be between 1.0 and 1.8%. Long-term real interest rates between 2.2 and 3.1%. If you believe, as I do, that the long-term growth potential is in a range of 2.0 to 2.5%, then, provided there are no further structural reforms of course, then the long-term real interest rates seems compatible with those figures. The only way, we strongly believe, to lift the long-term growth potential of the euro area economy is to apply structural reforms in labour and goods markets, and that is a movement where some progress has been made but where still quite a lot remains to be done. It is the major challenge we believe for economic policy-makers, governments in particular that has to be met.

Voir la présentation de la situation.