



## SPEECH

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### **“SHAPING A NEW GLOBAL ECONOMIC ORDER”**

### **DEBATE ORGANISED BY BUSINESSEUROPE AND MEDEF IN PARIS ON 4 DECEMBER 2008**

### **WELCOME SPEECH BY ERNEST-ANTOINE SEILLIÈRE BUSINESSEUROPE PRESIDENT**

Ladies and Gentlemen,

It is a great pleasure for me to welcome you to the debate organised on the occasion of the 50<sup>th</sup> anniversary of BUSINESSEUROPE.

BUSINESSEUROPE has supported European integration from the outset because we are convinced that you can only have successful companies in a successful Europe and vice a versa. History has taught us how much pain can be caused when there is hostility between the nations of our continent.

We can be proud of the achievements of the European Union. The Internal Market, the Euro, the re-unification of Europe have brought peace, freedom and prosperity to our continent and to the rest of the world. We wanted to celebrate this, in Paris, the city where our organisation was created in 1958. I am extremely grateful that President Parisot and MEDEF's team have made this possible.

Unfortunately, the world financial and economic crisis has changed the spirit of celebration we originally intended to give to the event. Hence the decision to turn it into a forward-looking debate on how to get out of present difficulties. In our video, we travelled back in time. We now want to look forward and discuss how to shape a new global economic order. How do companies see the future? How do we shape globalisation? What do we expect from governments?

The diagnosis: how do companies see the future?

The financial market crisis has dealt a major blow to the world economy. World growth is expected to reach only 2.2% in 2009 compared with 5% in 2007. The European Union and other advanced economies will probably experience a full year of recession in 2009. Yes this crisis is very serious. However, looking further on the horizon, we remain convinced that free and open markets will allow us to bounce back if the right decisions are taken.

The leaders of the G8 have taken emergency measures to stabilise the financial markets but the effectiveness of these rescue plans has varied. The EU has rightly acted on three pillars: bank recapitalisation, interbank loan guarantee, and savings deposit guarantees. Lack of means, differences in approaches or political circumstances have not made it possible to be as comprehensive in other parts of the world.

As a result, financial markets remain under strain and companies' access to finance is becoming problematic in many countries. Investment and business activity have deteriorated at an unprecedented pace in recent weeks. Business confidence has dropped in all developed economies and in some emerging markets to historically low levels. All countries are presently affected. Measures must be taken to ensure that viable companies can continue to access financing in coming months.

We therefore truly appreciate the fact that the leaders of our counterpart organisations in the United States, Japan and Russia have agreed to join in this public debate, prolonging the G8 business summit which took place earlier today. Thank you Tom Donohue, Junichi Ujiie and Alexander Shokhin. You have travelled all the way to Paris to discuss what should be done in order to restore trust in the financial system and find the way back to strong economic growth and job creation. We can have a positive influence on G20 decisions if we work together.

I also have the pleasure to welcome representatives of international organisations involved in the shaping of this new global economic order: Mrs Thelma Askey, Deputy Secretary General of the OECD, Mr Rufus Yerxa, Deputy Director General of WTO, the Secretary Generals of Business and Industry Advisory Committee to the OECD, (BIAC), Mr Tadahiro Asami, of the International Organisation of Employers (IOE), Mr Antonio Penalosa, and of the International Chamber of Commerce (ICC) Mr Guy Sebban.

On the European side, I thank Commissioner Spidla, and our good colleagues from CEEP, ETUC, ERT and UEAPME for having joined us in Paris today.

Last but not least, I am delighted that two of my predecessors François Périgot and Georges Jacobs as well as CEOs of our corporate advisory and support group are in the BUSINESSEUROPE delegation alongside the Presidents of our member federations.



Ladies and gentlemen, I will not define the solutions to the crisis now. That will be done in my concluding remarks, when we have carefully listened to the debate moderated by Paul Taylor, from Reuters.

But before handing the floor to him, I would like to draw your attention to a sign that the world is changing for the better on one aspect: gender balance at the top of European business organisations. The composition of our panels shows that. Thank you Henrika Bochniarz, Martin Broughton, Emma Marcegaglia, Laurence Parisot, and Jürgen Thumann for having agreed to kick off discussions in these two panels.

I have no doubt that views expressed during this conference will provide invaluable input for the discussion that we will have

- with President Sarkozy when we visit him with a restricted delegation at the Elysée palace later this afternoon, and
- with President Barroso during the meeting of our Council of Presidents tomorrow morning.

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