



**Re-Define Press Release – The ECB meeting and the Euro crisis  
3th October 3:45 CET**

Please find below **Re-Define's** Quick Comments on the ECB and the Euro crisis. All comments are attributable to **Sony Kapoor**, Managing Director of Re-Define an Economic Think Tank.

"The future of the euro area may fall through the cracks left between petty EU politics and stubborn institutional rigidities"

"The ECB refused to blink and the Euro crisis is now likely to intensify."

"Without a much bigger commitment from the ECB, we are all in big trouble"

"If not now, then when Mr Draghi?"

"The ECB had a chance to finally get ahead of the curve, but it blew it."

"Without much bigger ECB support, troubled Euro area countries simply do not have the economic and political space to enact the fiscal and structural reforms that are needed."

"While the quarter point cut is useful particularly for countries such as Germany, it does very little to improve the outlook for Italy and Spain."

"The game of chicken between the ECB and EU politicians continues with neither measuring up to their task even as the European project is in danger of collapse."

"The ECB will once again have to revise its still too optimistic growth projections downwards, soon."

"If it continues to refuse to increase its support for troubled member states, it is just a matter of time before the ECB's inactions start looking like a dereliction of its duty as the guardian of the Euro."

"Dragi is right to point out that countries are different so spreads could be different. Problem is that the spreads are pointing in the wrong direction. Effective interest rates are high for low growth countries such as Italy and low for countries such as Germany that are in a better shape." "This is hugely destabilizing."

"How does the fact that the Italian government is paying more than 6% with an ECB rate of 1.25% mean that the SMP is unclogging the channels of monetary policy transmission? Which real economy borrower in Italy is able to borrow at close to 1.25% today?"

Please email [Media@re-define.org](mailto:Media@re-define.org) for further Comments and Analysis or call [+44-7986849865](tel:+447986849865)

Media Adviser, **Re-Define**

Follow us on [Twitter](#)

Follow us on [Facebook](#)