Broad guidelines of the economic policies for 1999

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PURPOSE: Commission recommendation concerning the broad guidelines of the economic policies of the Member States of the Community. CONTENT: the broad guidelines of the economic policies for 1999 include general guidelines as well as guidelines by country, which enjoy the same legality. The general guidelines, which are applicable to all of the Member States, indicate the path which economic policy should follow. Inside this general framework, the guidelines by country are devoted to identifying the policy priorities specific to each Member State, taking acount of their individual situation. It emerges clearly from the general guidelines of economic policies that the main priority is to achieve a durably high level of growth in employment. To tackle the challenge of employment in Europe, an overall coherent strategy is required, encompassing 3 important elements, the effects of which will be mutually reinforcing: 1) safe macroeconomic policies which favour growth, employment and price stability, assuming that the stability and growth pact is fully respected and that wage development remains appropriate; 2) policies which improve the overall functioning of the labour market and particularly favour employablity, entrepreneurship, adaptability and equality of opportunity, thanks to a determined, speedy and transparent implementation of the employment guidelines, drawn up in respect of the situation of the Member States; 3) economic reforms allowing growth in the efficiency and flexibility of goods, services and capital markets, as well as committing to a growth trajectory which respects the environment, implying a careful pursuit of the single market, firm competition policy, regulatory reforms, improvement in the functioning of the labour market as well as more effective systems of taxation and social benefits. The European employment pact should define the process by which all of the political actors, at a national and European level, will encourage dialoge to allow the achievement of the Union's central social and economic objective, namely a high level of employment in the context of strong growth which is sustainable in the medium term.