

Vanishing growth



Finance Minister Miroslav Kalousek told [Radio Impuls](#) yesterday that the CR, in mid-Nov., doesn't need any fiscal stimulus, either on the revenue or spending side. What the country needs, he said, is renewal of confidence on the interbank market. GM Lubor Žalman of Raiffeisenbank said bluntly in [HN](#) on Wed. that there is no interbank lending market. GM Jiří Kunert of UniCredit told the Nordic Chamber of Commerce one day later that interbank confidence started to return when the banks realized that the CDO problem at a certain competitor was manageable. The reason banks still aren't lending much to each other, he said, is that they're guarding their cash until they see how the crisis affects their borrowers. The money might be needed for creating provisions. We are facing difficult times, Kunert said, and the banks are aware of this. Minister Kalousek, who built his draft 2009 budget around a 4.8% growth rate, said yesterday on Impuls that it is quite possible that growth next year will only be slightly higher than 2%.

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