

France wants EU to bend economic rules

by UPI

BRUSSELS - French President Nicholas Sarkozy is seeking permission from the European Union to run a budget deficit until 2012 so he can cut taxes.

Just eight weeks into his job, Sarkozy wants the EU to bend its fiscal rules permitting him to deal with France's spiraling unemployment and avoid an economic slowdown, The BBC reported Monday.

Cutting taxes means France will breach a 3 percent budget deficit rule set by the EU and will be unable to balance its books until 2012, two years later than the deadline of the previous government.

Sarkozy traveled to Brussels to make his request in person at the meeting of EU finance ministers on Monday.

Last week Sarkozy broke with protocol by criticizing the European Central Bank for allowing the euro to appreciate too much, a move that hurts French exports. Over the past six years, the euro has appreciated 60 percent against the dollar.

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