Parliamentary Assembly
Assemblée parlementaire
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COUNCIL OF EUROPE
CONSEIL DE L'EUROPE

Resolution 29 (1953)[1]

Present position as regards convertibility

Parliamentary Assembly

The Assembly,

Reaffirming its conviction that the international division of labour must be intensified and the standard of living of all peoples raised by the extension of a multilateral system of trade and payments over the widest possible area,

1. Welcomes the initiative taken by the Government of the United Kingdom for a resolute advance towards a wider and freer system of international trade;

2. Emphasises that the convertibility of currencies must never be achieved at the price of restrictions on trade;

3. Urges that measures designed to restore convertibility of a European currency should not be taken unilaterally but that, since they might create difficulties for the O.E.E.C. liberalisation system, the E.P.U. and the Common Market of the European Coal and Steel Community, they should be adopted only after consultation with all the parties concerned;

4. Believes that the first steps towards the extension of the trade and payments system should be taken along lines which will not jeopardise European integration, such as :

i. the further development of the liberalisation programme of OEEC.;

ii. the inclusion of all countries of the EPU area in the OEEC liberalisation system;

iii. a re-examination of the system of settling EPU surpluses and deficits with the ultimate achievement of convertibility in view;

iv. the re-establishment of European commodity markets in which EPU countries can buy commodities from the cheapest sources of supply;

5. Emphasises that convertibility cannot by itself bring about a solution of the European dollar problem, which is largely structural in character, and cannot therefore be finally solved except by structural adjustments in the pattern of production and trade in which both debtor and creditor nations have their part to play;

6. Expresses its appreciation of the basic contribution already made by the United States in the form of aid but emphasises that their future contribution should now increasingly be made by lowering their tariffs and further simplifying their customs procedure, by encouraging the submission of tenders by non-American firms for private and Government contracts and by increasing public and stimulating private American investment overseas;

7. Welcomes the recent Initiative taken by the Economic Commission for Europe in re-opening discussion of the problem of increasing trade with the countries of Eastern Europe and stresses the importance of overcoming political obstacles to trade in non-strategic materials in Asia no less than in Europe;

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1. This Resolution was adopted by the Assembly at Its tenth Sitting, 13th May, 1953 (see Doc. 134, Report of the Committee on Economic Questions).

8. Re-emphasises its conviction that the countries of Europe and the overseas countries associated with them must make greater common efforts along the lines suggested in the "Strasbourg Plan."