



## Resolution 404 (1969)<sup>1</sup>

# European economic problems

Parliamentary Assembly

The Assembly,

### *PART I*

1. Noting with profound concern the fact that the French franc crisis of November last was merely the most recent of a series of monetary crises which have been plaguing Europe with increasing frequency over the last few years ;
2. Believing that a further major crisis could bring near the collapse of the world monetary system with grievous damage to international trade and consequently to full employment ;
3. Convinced that there is overwhelming technical agreement as to the urgent need of strengthening and developing both intra-European and world monetary co-operation, but fearing that the necessary political will to make the further sacrifices of national monetary autonomy that are called for if the present situation is to be improved is in many cases still insufficient,
4. Recalls the special responsibility which lies on governments having large balance-of-payments surpluses (which must necessarily imply corresponding deficits elsewhere) to play an active role in bringing international payments into greater balance ;
5. Underlines the role which has been played in gravely aggravating recent crises by massive speculative movements of short-term capital, and believes that it is vital that the present studies with a view to devising international measures designed to check such speculative movements should lead to concrete action with a minimum of delay ;
6. Holds that recent events have shown the absence of adequate monetary co-operation in EEC, and believes that there is an urgent necessity to improve this situation, if need be through some addition to the present provisions of the Treaty of Rome in the monetary field ;
7. Finally believes that Europe should take the initiative in bringing about the early holding of a high level monetary conference ;

### *PART II*

8. Convinced that, unless Europe makes significant progress towards basic economic unity during the present decade, the European economy will inevitably become tributary in many fields to that of the United States ;
9. Gravely concerned by the present lack of further progress towards economic harmonisation in Europe ;
10. Further conscious of the present political log-jam in the European Communities,

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1. Assembly debate on 29 and 31 January 1969 (23rd, 24th and 27th Sittings) (see [Doc. 2519](#), report of the Committee on Economic Affairs and Development). Text adopted by the Assembly on 31 January 1969 (27th Sitting).



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11. Expresses its belief that an initiative by the Council of Europe, where appropriate in some or all of the fields examined in Part II of the Explanatory Memorandum of the report by the Committee on Economic Affairs and Development, [Doc. 2519](#), could make a significant contribution towards unblocking the present impasse.