



Resolution 760 (1981)¹

Economic and trade relations between Council of Europe countries and North America (Canada and the United States of America)

Parliamentary Assembly

The Assembly,

1. Having noted the report of its Committee on Economic Affairs and Development ([Doc. 4767](#)) ;
2. Gratified at the success of the Panel on the relations between Western Europe and the United States of America (Strasbourg, 29 and 30 June 1981) and welcoming the decision to hold further meetings of this kind ;
3. Noting the conclusions of the summit meeting between the seven main industrialised countries, held in Ottawa from 19 to 21 July 1981 ;
4. Observing that, in spite of the appearance of the new centres of growth represented by the industrialising countries, Western Europe and North America remain the two most powerful areas of economic and commercial development in the world ;
5. Noting, however, that the power of the economies of Western Europe and North America is not matched by the scale of trade between them, particularly when compared with the remarkable growth of intra-European trade, on the one hand, and of trade between Canada and the United States of America, on the other ;
6. Considering, nevertheless, that the relatively low level of transatlantic trade is compensated by the extent of American investment in Europe and by the increasing level of European investment in North America ;
7. Convinced that any reform of the international monetary system will depend on the United States of America, notably because of the central role of the US dollar, and on Europe, thanks to the European Monetary System ;
8. Expressing grave concern over the monetary and financial policy of the United States of America—in particular its implications for employment— characterised particularly by very high interest rates with which the European countries have been forced to fall into line, and which could rapidly suffocate the Western economies and international trade ;
9. Stressing, in the energy sector, the significant role played by Canada, an exporter of resources, by the countries of Western Europe, major importers, and especially by the United States, a large-scale producer and the main world importer, their respective contributions to energy savings being more important as their consumption per capita is higher ;

1. Assembly debate on 5 October 1981 (14th and 15th Sittings) (see [Doc. 4767](#), report of the Committee on Economic Affairs and Development). Text adopted by the Assembly on 5 October 1981 (15th Sitting).



10. Considering that there is, consequently, vested in the countries of Western Europe and North America a determinative responsibility for world trade, the international monetary system, the production and consumption of energy, food supply, co-operation with the developing countries and economic progress in general,

11. Considers that the establishment of more favourable and more balanced economic, trade and monetary relations between Council of Europe member states and the countries of North America (Canada and the United States), to help solve the world's economic crisis, presupposes a policy based on the following principles :

11.1. continued promotion of free trade through the gradual reduction of customs tariffs and accelerated dismantling of all non-tariff barriers to trade, particularly through the abolition of all regulations or measures intended solely to protect the home market from fair foreign competition ;

11.2. abolition of those kinds of export subsidies (in the form of government subsidies or preferential export credits) that undermine fair competition and encourage the resurgence of protectionism ;

11.3. in the industrial sectors threatened by keen international competition—notably the motor, iron and steel, and textile industries— concerted action and co-ordination of their respective policies, and abstention from recourse to any bilateral agreement intended to limit exports to a particular market which would inevitably increase pressure on the markets of other countries not party to the agreement ;

11.4. progress towards tighter budgetary control through a gradual return to the balancing of public finances, which would allow interest rates to be brought down permanently without the risk of a fresh upsurge of inflation ;

11.5. establishment of a system of realistic and more stable exchange rates, the first step towards a reform of the international monetary system of which the US dollar and an extended and strengthened European Monetary System would be necessary pillars ;

11.6. greater mobilisation of the technological and agricultural potential of Western Europe and North America, to enable a vast programme of agricultural development and food aid for the Third World to be implemented ;

11.7. reinforcement of their respective energy policies along the general lines laid down in [Assembly Resolution 748 \(1981\)](#) on energy and the economy : full application of market mechanisms (particularly with regard to prices), intensification of research on renewable forms of energy, systematic recourse to all the traditional forms of energy available locally and development of energy-saving measures with a view to reducing dependence on external sources of supply ;

11.8. opening of a permanent dialogue between parliamentarians of the member countries of the Council of Europe and of North America, on all questions of common interest, for example on the occasion of the annual debates of the Assembly on the activities of the Organisation for Economic Co-operation and Development (OECD).