Resolution 944 (1990)[1]

Economic relations between Europe

Parliamentary Assembly

1. The Assembly refers to the reports of its Committee on Economic Affairs and Development (Doc. 6206) and of its Political Affairs Committee (Doc. 6217), reflecting the findings of a fact-finding visit to Washington (4-7 March 1990) by the Assembly's Sub-Committee on Relations with the United States of America and Canada.

2. However, numerous ‘‘trade wars" and other points of friction have disturbed US-European trade relations in recent years, of which several are still unresolved or find themselves the object either of bilateral negotiations or of litigation before GATT.

3. World trade is approaching largely uncharted waters during the millennium's last decade, as the GATT Uruguay Round, to be concluded at the end of 1990, enters its final phase ; as the European Community prepares to complete its internal market by the beginning of 1993 ; as several countries in Central and Eastern Europe undertake radical economic reform ; and as many developing countries make valiant efforts to overcome the effects of crippling external debt.

4. Fears of protectionism have not yet subsided on either side of the Atlantic, whether they concern a ‘‘Fortress Europe" following the European Community's completion of its internal market, or alleged exclusive features of the United States-Canada Free Trade Agreement, the United States Omnibus Trade and Competitiveness Act, or the European Economic Space envisaged between the European Community, EFTA countries and other member countries of the Council of Europe

5. The Assembly, in consequence, calls on Council of Europe member states and the United States of America :

5.1. to do their utmost to ensure - not least considering their common interest in vital areas such as international investment, services and intellectual property rights - a successful conclusion of the current Uruguay Round, permitting it to herald an era of intensified transatlantic and world trade, rather than renewed restrictions and a revival of protectionism ;

5.2. more generally, to resolve their outstanding trade differences through GATT arbitration and reconciliation, and refrain from taking any trade-restricting measures outside the framework of the organisation, seeing that it constitutes the international community's sole barrier against trade anarchy - with the negotiations this time also extended to cover agricultural issues ;

5.3. to work for the establishment of trade rules for agricultural commodities which should take account of the multiple functions of agriculture with family farming as its backbone : a guarantee for a satisfactory level of food security, the preservation of a living countryside, and the conservation of an important cultural heritage and the environment ;

5.4. to pursue their respective efforts to create freer regional trade, on the understanding that these be in conformity with GATT principles and remain open to each other and the rest of the world ;

1. Assembly debate on 10 May 1990 (7th Sitting) (see Doc. 6206, report of the Committee on Economic Affairs and Development, Rapporteur : Mr Alptemoçin). Text adopted by the Assembly on 10 May 1990 (7th Sitting).

5.5. to show particular understanding and solidarity in their trade relations at a time when the transatlantic community stands before its second historic challenge, that of helping - notably within the so-called ‘‘Group of 24" - countries in Central and Eastern Europe to reform their political and economic systems in order to be able to join the community of freely trading nations ;

5.6. to pay special attention to the co-ordination of macro-economic policies permitting, in particular, exchange rate stability, continued structural reform and non-inflationary growth, seeing that these are necessary prerequisites for expanded world trade ;

6. The Assembly proposes that a new procedure, to be worked out in consultation with the parliaments concerned, should give full equal status to visiting members of the United States Congress and other non-European delegations in debates on OECD activities, and to proceed similarly as regards debates on the CSCE, including economic matters (‘‘Basket II").