



Doc. 29

23 August 1949

Role of the Council of Europe in the economic field

Motion for a resolution

tabled by Mr Edouard BONNEFOUS and other members of the Assembly

The Assembly recognises :

1. That the disequilibrium of exchange between North America and Europe and the countries of territories associated with it, constitutes a considerable obstacle to the restoration of normal trade relations in the world and to the recovery of, European economy;
2. That this disequilibrium is now so great that it threatens the progress made in Europe since the war and raises an urgent problem;
3. That American help though vital and indispensable during the period of transition and recovery, can in no way be considered a permanent solution unless all the countries concerned make a joint effort to correct the causes of disequilibrium ;
4. That the solution of the problem cannot be found in a policy of restriction of imports and bi-lateral treaties which merely give rise to essentially unworkable industries.

Consequently, the Assembly recommends:

That the European Governments concerned immediately establish a programme of financial measures with special reference to:

- a. reconsideration of the rates of exchange between European currencies among themselves and between these currencies and the dollar zones, with the object of remaining present overvaluation and at the same time eliminating restrictions in the way of a complete return to multilateral trade;
- b. separation of external floating debts due to the war (such as the sterling balances) with a view to making long term proposals for settlement so as to make sure that these old balances will no longer remain a barrier to the complete development of current payment for current dealings;
- c. the progressive elimination of trade restrictions between the European countries concerned;
- d. the widest use in every country of a price mechanism enabling products to flow towards consumers' markets.

Signed (see overleaf)



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Signed:

BONNEFOUS Edouard, France