



Resolution 589 (1975)¹

European economic problems

Parliamentary Assembly

The Assembly,

1. Convinced that the present economic crisis, with serious inflation and a substantial risk of a widespread recession, is likely to lead to radical changes in world-wide economic relations and hence in the very structures of our society ;
2. Considering the serious balance-of-payments disequilibria affecting all of the Council of Europe member countries ;
3. Regretting that there has been insufficient international economic co-operation, in particular concerning demand management during the last boom, which has aggravated these disequilibria ;
4. Aware of the dangers that a substantial and prolonged recession will have on the level of investments, that of employment, as well as on the democratic foundations of our society ;
5. Considering that there is a necessity for solidarity among Council of Europe member states in order to prevent any discrimination between indigenous and immigrant workers in the event of dismissals due to economic recession ;
6. Welcoming the conclusions of the recent meeting of the heads of governments of the European Communities, and in particular their first agreement on the financing of the European Regional Development Fund ;
7. Taking note of the meeting between Presidents Ford and Giscard d'Estaing in December 1974 and of its possible consequences for Europe ;
8. Believing that the management of the present crisis requires on the one hand consultation and understanding among the social partners at national level, and on the other hand a higher degree of multilateral co-operation than has hitherto been the case,
9. Urges the governments of the Council of Europe member states :
 - a. to have the courage to explain clearly to their public opinion that the necessary international redistribution of resources will entail a curtailment of economic growth which may be unacceptable unless it corresponds with a change in society in our countries, implying a more equitable distribution of income and wealth, and a real improvement in the quality of life ;
 - b. to co-ordinate effectively their economic policies at the appropriate European and wider international level, with a view to stimulating productive investment and bringing about a better balance between the growth of expenditure and production, whilst taking into account the differing situations in the various sectors of the economy ;
 - c. to apply selective employment and social policies for those sectors of the economy particularly hit by the present economic recession and/or by anti-inflationary measures ;

1. Assembly debate on 28 and 29 January 1975 (25th and 26th Sitings) (see [Doc. 3538](#), report of the Committee on Economic Affairs and Development). Text adopted by the Assembly on 29 January 1975 (26th Sitting).



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- d.* to use the Council of Europe to concert those aspects of these policies for which this organisation is particularly competent, such as non-discrimination between indigenous and immigrant workers, retraining, social legislation ;
- e.* to pursue the reform of the international monetary system, and to support the current initiatives for the setting up of multilateral medium-term financing arrangements in the framework of EEC and IMF designed to finance balance-of-payments' deficits ;
- f.* to avoid having recourse to unilateral measures of trade restrictions and artificial export stimulations, in accordance with the declaration adopted by the Council of OECD on 30 May 1974 ;
- g.* to take the initiative within the Council of OECD to extend this agreement beyond its date of expiration (30 May 1975) ;
- h.* to co-ordinate their energy policies- through the appropriate international agencies- so as to decrease significantly their reliance on oil imports, in particular by intensifying their medium and long-term co-operation in the fields of research and development, uranium enrichment and rational utilisation of energy ;
- i.* to foster the present trade negotiations within GATT, in particular with a view to decreasing substantially trade distortions created by non-tariff barriers ;
- j.* to facilitate the dialogue between industrialised countries, oil-exporting countries and oil-poor developing countries, with a view to finding solutions to the specific problems of these three groups of countries through constructive long-term economic, monetary and technical co-operation ;
- k.* to promote, in particular within UNCTAD, the definition of a set of agreed rules on the distribution of world income which can be obtained from a prosperous and open world economy.