

EUROPEAN PARLIAMENT

Working Documents

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ORAL QUESTION (0-87/79)

with debate, pursuant to Rule 47 of the
Rules of Procedure

by Mr ANSQUER

on behalf of the Group of European Progressive Democrats
to the Commission of the European Communities

Subject : Relationship between the European Monetary
System and the international monetary system

While it was agreed at the meeting of the European Council from 5 to 7 December 1978 that the European Monetary System (EMS) had no chance of surviving unless the Community managed to establish a common policy in relation to the dollar, is the Commission aware that lack of confidence in the dollar has assumed such proportions that the quantities of dollars offered for sale far exceed the capacity of the market to absorb them without the increasingly reluctant support of the central banks of the major Western countries?

What action does the Commission propose to put an end to the disorder in the financial circuits which we have witnessed in recent weeks and which is detrimental to economic activity?

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PE 59.738

Does it not consider that a reform of the international monetary system must entail effective control of the market in Euro-currencies, the growth of which is proving particularly dangerous? Did the Community express a common point of view on this question at the meeting of the International Monetary Fund (IMF) in Belgrade?

What is the Commission's position regarding the opening of a 'substitution account'? Does such an account not entail the risk of creating new special drawing rights (SDRs) which can only aggravate world inflation?

Lastly, how does the Commission explain the fact that the chaotic increase in interest rates has occurred without genuine consultation among the participants of the European Monetary System? Does it not think that it is precisely this rise in interest rates, in the Federal Republic of Germany in particular, that is responsible for the increase in pressure and speculation in regard to the 'weak' currencies and therefore for the first readjustment of the pivot rates of the European Monetary System?