

## EUROPEAN PARLIAMENT

# Working Documents

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ORAL QUESTION (0-136/78)

with debate,

pursuant to Rule 47 of the Rules of Procedure

by Mr MASCAGNI, Mr PISTILLO,

Mr SANDRI, Mr VERONESI and Mr VITALE

to the Commission of the European Communities

Subject : The European Monetary System (EMS) and  
the transfer of resources

At the European Council in Bremen it was admitted that the less wealthy Member States, which have the highest unemployment and inflation rates and the most serious structural and regional problems, would not be able on their own to cope with the social and economic constraints of the System (EMS) and that it would therefore be necessary to strengthen their economies by transfers of resources. However, at the subsequent European Council in Brussels, which decided to set up the EMS, little account was taken of this need.

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1. Did the Commission give due consideration to the problem of transfers before submitting proposals to set up the European Monetary System?
2. Does the Commission think that the flexibility of the EMS, with its margins of fluctuation, its short and medium-term credit mechanisms and its 3% interest subsidies per 1,000m EUA of loans, and the Regional Fund resources as entered by the European Parliament in the 1979 budget, will be sufficient to combat the persistent structural and regional imbalances?
3. Will the Commission now set about rectifying the grave omissions of the European Council by proposing adequate measures?
4. Is the Commission aware that the very success of the system, which should be reflected in greater monetary stability, a fall in inflation and a renewal of investment, may well give rise to even wider regional disparities, with this renewed expansion being entrusted only to the action of spontaneous market forces?
5. What does the Commission intend to do to ensure that any economic recovery is reflected in a fall in unemployment, given that restructuring the productive machinery does not always produce new jobs and, in general, even leads to further unemployment?
6. Does not the Commission think that if the EMS is to function it will be necessary to increase the redistribution of budget resources on the structures of the less wealthy countries? And what does the Commission propose to do to achieve this objective?
7. Is the Commission aware of the fact that such an increase in the redistributive effect of the budget resources will be effective only if the countries or regions benefitting from these transfers pursue integrated investment programmes which enable them to absorb the distributed funds correctly? How does the Commission intend to improve the development programmes in order to ensure that the aid measures are coherent and effective?