

COUNCIL OF THE EUROPEAN COMMUNITIES
GENERAL SECRETARIAT

PRESS RELEASE

472nd meeting of the Council

- Economics/Finance -

Luxembourg, 17 October 1977

President: Mr Gaston GEENS,
Minister for Finance of
the Kingdom of Belgium

17.X.77

The Governments of the Member States and the Commission of the European Communities were represented as follows:

Belgium:

Mr Gaston GEENS

Minister for Finance

Mr Willy CLAES

Minister for Economic Affairs

Denmark:

Mr Per HAEKKERUP

Minister for Economic Affairs

Mr Kurt HANSEN

State Secretary, Ministry of Economic Affairs

Germany:

Mr Hans APEL

Federal Minister for Finance

Mr Manfred LAHNSTEIN

State Secretary, Federal Ministry of Finance

Mr Otto SCHLECHT

State Secretary, Federal Ministry of Economic Affairs

France:

Mr Robert BOULIN

Minister responsible for Economic and Financial Affairs

Ireland:

Mr George COLLEY

Minister for Finance

Mr Martin O'DONOGHUE

Minister for Economic Planning and Development

Italy:

Mr Gaetano STAMMATI

Minister for the Treasury

17.X.77

Luxembourg:

Mr Jacques POOS

Minister for Finance

The Netherlands:

Mr J.H. LUBBERS

Ambassador,
Permanent Representative

United Kingdom:

Mr Denis HEALEY

Chancellor of the Exchequer

The Commission:

Mr François-Xavier ORTOLI

Vice-President

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CONCLUSION BY THE PRESIDENT

1. The Council examined the measures to be taken to deal with the present economic situation.
2. It agreed with the overall strategy proposed by the Commission for the Community.

This strategy entails a purposeful policy in the Community so as to obtain:

- a minimum growth rate of 4 to 4½% in the Community's GDP in real terms resulting from 1% additional growth in internal demand without increasing production costs
- an improvement in the situation on the labour market by implementing a more dynamic policy in the area of employment and vocational training and the development of labour mobility
- a reduction in the inflation rate in the Community to 8%, with a reduction in the spread of rates to a range of 4 to 10%.

3. These objectives are achievable provided that efforts are pursued in a co-ordinated and purposeful manner by all the member countries and in collaboration with the other industrialized countries. It is recognized that the

responsibility for maintaining internal demand at an adequate level lies firstly with the relatively strong countries; but that other countries too can make their contribution to strengthening the economy.

4. The Council has decided to examine at each of its meetings the implementation of this general strategy by the member countries. On 21 November 1977, it will establish the economic policy guidelines appropriate for each Member State.
5. (a) The Council considers that the implementation of this general economic strategy must be accompanied by an adaptation of credit mechanisms, together with a strengthening of procedures aimed at ensuring by effective means that the economic policy conditions linked to these mechanisms are properly fulfilled.
- (b) The Council took note of the interim reports of the Monetary Committee, the Committee of the Governors of the Central Banks and the Economic Policy Committee concerning
 - the suggestions made by the Belgian delegation concerning the adaptation of credit mechanisms,
 - the communication from the Commission concerning investment and borrowing in the Community.

The Council invited these Committees to submit their final reports in time to enable it to take a decision on these matters at its meeting on 21 November 1977.

COMEUR BRU

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NEW YORK / 8

BRUXELLES 14.10.77

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NOTE BIO(77) 352 AUX BUREAUX NATIONAUX
CC AUX MEMBRES DU GROUPE, AU DIRECTEUR GENERAL DG I, M. OPITZ,
DG VIII

PREPARATION DU CONSEIL ECONOMIE.FINANCES DU 17 OCTOBRE 1977

LE CONSEIL SE REUNIT LE 17 OCTOBRE A LUXEMBOURG A 10 H EN
RESTREINT. TROIS POINTS A SON ORDRE DU JOUR :

1. ECHANGE DE VUES GENERAL SUR LA POLITIQUE ECONOMIQUE A SUIVRE
PAR LES ETATS MEMBRES :
CE POINT DOIT ETRE TRATI EN CADRE TRES RESTREINT (MINISTRE, GOU-
VERNEUR, R.P. ET 1 FONCTIONNAIRE) EN VUE DE PERMETTRE AUX MINI-
STRES ET A M ORTOLI DE POURSUIVRE AU FOND LE DEBAT SUR LA SITUA-
TION ECONOMIQUE ACTUELLE ET SES PERSPECTIVES A COURT ET A MOYEN
TERME. CE DEBAT REPOSE MOINS SUR DES DOCUMENTS FOURNIS PAR LA
COMMISSION (BIEN QUE L'ON DISPOSE DU RAPPORT SUR LA SITUATION
ECONOMIQUE ET LES PERSPECTIVES A MOYEN TERME) QUE SUR L'APPRECI-
ATION PERSONNELLE PORTEE PAR CHAQUE PARTICIPANT SUR LA SITUATION
DANS SON PROPRE PAYS EN TANT QUE TEL D'UNE PART, ET AU REGARD DE
LA COMMUNAUTE DANS SON ENSEMBLE D'AUTRE PART. CE DEBAT DOIT NOR-
MALEMENT DEBOUCHER SUR UNE VOLONTE RENOUVELEE DU CONSEIL DE CON-
JUGUER LES EFFORTS DE TOUS POUR SORTIR DE LA CRISE.
2. AMENAGEMENT DES MECANISMES DE CREDIT A COURT ET A MOYEN TERME:
LE CONSEIL EXAMINERA LES IDEES DU PRESIDENT GEENS RELATIF AU REN-
FORCEMENT DU SOUTIEN MONETAIRE A COURT TERME ET DU CONCOURS
FINANCIER A MOYEN TERME, SUR LA BASE DES RAPPORTS DU COMITE MONE-
TAIRE ET DU COMITE DES GOUVERNEURS. LA COMMISSION APPUIE LE PRE-
SIDENT GEENS DANS SON EFFORT POUR RENFORCER LES MECANISMES DE
CONCOURS MUTUEL ET DE SOLIDARITE A L'INTERIEUR DE LA COMMUNAUTE.
3. COMMUNICATION DE LA COMMISSION SUR L'INVESTISSEMENT ET
L'EMPRUNT DANS LA COMMUNAUTE :
IL S'AGIT DU DEBAT AU FOND SUR L'INTERET PRESENTE PAR LES PRO-
POSITIONS DE LA COMMISSION EN VUE D'INSTITUER UN MECANISME SUS-
CEPTIBLE DE JOUER UN ROLE DE CATALYSEUR DANS LE FINANCEMENT DES
INVESTISSEMENTS A FINALITE STRUCTURELLE (ECONOMIE D'ENERGIE,
RECONVERSION, INFRASTRUCTURE).

AMITIES, M. SANTARELLI

COMEUR BRU

2. - MECANISME DE SOUTIEN MONETAIRE

CE POINT ET LE POINT SUIVANT SONT ETROITEMENT LIES A LA STRATEGIE COMMUNAUTAIRE DEVELOPPEE SOUS LE POINT 1. LE COMITE MONETAIRE ET LE COMITE DES GOUVERNEURS DES BANQUES CENTRALES SONT CHARGES DE PRESENTER UN NOUVEAU RAPPORT AU PROCHAIN CONSEIL DU PROCHAIN CONSEIL DU 21 NOVEMBRE 1977, POUR PERMETTRE AU CONSEIL DE PRENDRE SA DECISION.

3. - EMPRUNT COMMUNAUTAIRE

LES ETUDES SERONT POURSUIVIES POUR QU'UNE DECISION POLITIQUE PUISSE ETRE PRISE LE 21 NOVEMBRE PROCHAIN. M. ORTOLI A SOULIGNE LA NECESSITE D'UNE DISCUSSION AU FOND DU PROJET POUR ABOUTIR A UNE DECISION.

FIN
AMITIES

M. VON DONAT

17.10.1977

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