Chair

- Accord, no meeting should be held

- no press communiqué ... no briefing → do not speak to each other, but express own views ⇐ that is unavoidable

- confidential meeting

- no report to Council of Ministers (Paul!)
  but with Presence of E. Pisl. for formal reasons
  no Absence

  2 days ago a working document tabled to press!

- Circuit d'Orléans Celler → hearing
  at a distance Lawyers then not to discuss

Rapporteur → no hearing; but D should receive them on a private basis

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W-report → Spaak, Lets discuss them

Others will be at the lunch in Lux, Chairmen d'honneur

Low failures → 2 reasons for lack of success
a) ecl. circumstances, policy responses
obstructed + that is known for failures
i.e. previous considerations also what happens ambient

b) Unappropriate policy can cause loss → at
that time main aim of free-loss,
determination & speed of effect were blurred
to be easily measurable, that
were finished → clear with global
Brand management also be easily to
measuring policy
Appropriate useful but no clear
variable as be easily to possible & price

c) if Ch, q so → ccc, elimination of brand is
not helpful, from values
of measuring appropriate will not
be per final result

→ Ring can't work an objectives
not on brand → a certain
objectives will have to be reached,
brand can change

Higher competitive → ex. v. → price drain of
Value mechanisms not

Others → notion of measuring can't applied are
to expand;
Imbalance → in time weakness → Brand → competition

Lesson → rapid time table not the best way towards EMU; UK lost very valuable time in 92 election on time table;

rapid time table by force of failure, although less success

Lack of time table perhaps = lack of commitment. Should not be accepted; Commitment of EMU irrevocable

UK economy optimistic about time, argument most of political will and changes there

Alternative: not 74 and not 94 → not much happened, once been a number of measures + achievements which are encouraging

In early stage political will not exist, time usually were not achieved;

some hysteresis exists to place too much emphasis on monetary convergence; but it should be parallel with EU ~~sub-optimal~~ convergence

no permanent factor of ex. r., let's not force the pace; UK should not be forced ahead of EMU. stages of failure

Thus → step by step, (subsidiarity), should not block the road ahead.

what are main components of EMU; esp.
what are EU - elements! EU cannot be split off
from EMU;

What components will help us to make
an EMU; of course, some things
cannot be done on EMU;

There have been technical changes in past years, but
differences in terms of demand & labour market;

Aims → different from ultimate objectives

How can one (in a pragmatic
approach) of how to get there; i.e. MC
complements, in the institutional field;

Is to be measurable (by what level can
system can prove further & to generate more
confidence → where are go

Objectives → UK clearly different goals, can we learn to
track it; (step by step) what role promote
next step;

step by step → basic parts; esp. on institutional steps;

why was it such an institutional deal? lack of
political will or

important, maybe face the same dilemma

- Level of W can be linked to G, raw M;
not to prove clear that W effective applies
more; if not, Europe at 2 speeds?
how to define + how to determine the speed!

- if step by step → then, how many steps?
objectives as political + risk. Hurry in each step.

Pbl → clear target mandate, EU + MS! how to
get closer!

Sol → what has been achieved since W
Element should be explicit; proper
towards EMU, i.e. convergence in ec. policy
objectives + policy; managed in EMU;
closer monetary cooperation in EMS; network
of large credit facilities

- parts voted in WR → implosion on parallelism;
EMU needs closer cooperation in fiscal policy +
macro-ec. policies; imbalances in real economic
need progress on all levels of coordination
may have consequences (reinforcement) on fiscal policies +
regional policy; system of financial transfers;

consequences of a more fixed ex. r.

need objectives what we aim at. Final
goal must be clear; WR provides good definitions

Motivation → one additional reason for the failure →
important to consider all hypotheses
concerning the alternative or the failure;
Remain pragmatic; step by step gain
a clear definition of EMU

link objectives of EMU x objectives that
Commission has done with respect to
internal market

one step = creation of single market; then
third element follows after 92;

hypothesis on parallelism; meaning progress together;
with (~~internal~~ economic growth rather than at time
of WR; will not be achieve objectives
to same greater than at time of WR.

Hypothesis → a) important to have clear definitions → EU (or WR)
to have a difference to both markets as it
which is to be gained from an additional dec.?

b) not has possibility to create like WR;
one feature concerning with other experience →
you think you have created a good + you think
you have the markets → e.g. the EMCF;
they overlooked reaction of Bundesbank on EMS;

why has it been impossible to create these
institutions in a workable way? still progress
in understanding the process

Glachant → special reference to Cambridge Cobra model on Mundell's idea of EMU but post-Keynesian → EMU should not give rise to possible structural imbalances or regional disparities; moral policy action to avoid;

minimum requirements

→ must be compatible with equal cohesion; not enough to avoid competitive devaluations

EMU → may be reached gradually; all payments fixed possible without fiscal harmonization;

budget deficit regional coordination or redistributive policy harmonization

Van, Concluded efforts to coordinate fiscal policy

minimum high-debt/deficit measures at first stage; but progress of convergence in mind.

Facilitated

Main EMU Cambridge Keynes model a firm time commitment to peace, outbreak a disruption to their economy

Godley → agrees with analysis of UK;

Definition of objectives → UK ok!

but EU → might be more highly eliminated

Business simple questions?

- Do we have a mechanism for member exam? Or of cooperation structure

- What created by the benefits of MU? for members, consumers, policy-makers, help the marketing profile area-wise & ambition

- What are the dangers inherent in MU if no progress in EMU in fiscal ... areas

- If ECB option, question of inflation + stability.

- Parallelmeans function → Parallel currency

Chair → Should we clarify the impact of withdrawal objections on withdrawal, EU + MU consequences should be made very clear.

Ch Corporate → Defining normative horizon important, but it's not binary conclusion of concepts of cc. + monetary space;

we have already some part of members cooperation and think on how feasibility we can compromise in feasibility, timing. Have to point

Thompson → Defendants + Applicants of 71 Wrotham Lanes re-confirmed by Heads; in 1972 was revoked; in Normans repealed;

Defendants in there; doesn't spell out all complications; that is objective of our work; is that the proposal?

- Assessment of CAP system? Chairman of Com. of Gov.

- FCB → need a paper on that; maximum degree of ambiguity; BBC study?

- Parallel running → might want a note on that; willing to do that it himself; not a fast priority

Leigh-Pemberton → paper in time? Minutes not circulated? Want to be sure to make sure that things are correct.

Cheer → afraid that they will be circulated;

Cowdeaux → Summing up of Chairman → main conclusions!

Clerc → Look at Rm 2 Bath;

Cumbernauld de Corronce → Secretarial Paper; if checked, Rm changes of minutes; Rm Legal records;

Pôle — to need for within research; comparable
on subject of work;

1) Work with objectives EU + MS
+ consequences of
~~what~~ for fiscal policy, wage ...

2) Our consequences → need our methodology →
observe as a model of what it
could look like

3) Parallel survey; 0 grounds, if study
needed, ok? ~~Can proceed~~

4) EMS

But have to make proposals for Heads; but have
the other proposals, relating to EMS, which fall into
the competence of other Groups; that should not be discussed
there in Comm. of Gov.;

ok Lawrence → no discussion of systems by; ok, but if
the discuss evolution from embryo, Hungary a small
organisation with pooling of reserves → that should be
discussed here;
i.e. not only a discussion of fundamental plans

Pohl → Can. have to decide on pooling of resources?
If this up of some methods
the Can. have to decide (
not only - many methods

Theis → work programme:

- assessment of W plan, in light of discussion
- evaluation of EDM

Parallel running → Nuremberg
EMF ⇔ EC13 → BBG?

EMU
take decision,
what would the implications be; come
back before the meeting disappointed;

Labour must accept what happens to consumer
choice.

Pohl → Paper on EU by BDI, as basis for
next meeting

in Lux. at 10^00 – on 10th Oct. 1-3 – 6
in EAEC Luxembourg building

After the meeting

1) Summary of meeting !

2) Document on the G-reports, amendments in the light of the discussion → for the report

3) EMU assessments

4) Parallel currency →

5) EMF ⇔ ECB

Creation of a new fund; pooling of reserves; and a divestiture

↳ divestiture will make room for a new

hypothesis / or first step

Financial paper

6) Formal shape; (implicit) objectives; instruments;

7) Statutes of Central bank → Thygesen

8) Panel paper → as background for meeting;

5 Dec

ECOFIN meeting in 1978; introducing the 2nd phase;

Aberle with 1971

By Sept. 11[30] - 17[30]

Ideal

now

1972

- other members were not bound
- or other aspects of EC. Union have to be on place