

Chair →

minutes documents

L-P letter → discuss in context of Feb 14
at the beginning of next meeting
status, a formal letter appreciable
to all

warned by style → will be published at time when
not to Ministers

has to satisfy interests of Gov, Dept of Fin
not too long

should go to the heart of the matter,
& basic principles

has to satisfy experts & journalists,
who might say it is superficial,
perhaps 2-3 technical Ministers

on Part II, page by page, but pick up
5 parts, place & role of ECU → reference to single currency

- but also how EMU will
operate, ECU as instrument for
better coordination?

- criticism perhaps: some say ECU
has to prove its case that will
(perhaps EMU) need to provide to

can be this;

- Maastricht → Giscard, Delors, Thymier
Lam's note

Chair General lack of satisfaction with power
given to central banking, etc

- EU → regional imbalances; influence of opinion by
Delors 1992-1993, Pöhl

also Pöhl produced note on EU

Lam's note → system of constant to be
achieved; we are serious about
coordinating budgetary policies

- Institutional structure → not too many details

EU → structure must be clear?

ECU: 1992 Giscard, Thymier, Lam

issue → are we let the ECU live its life and
then to it only after many years; or
also to ECU ensure public support

C-P → procedural question → final issues + then Part 12

Chair → parallel

C-P → his Paper on structure;

point doubt has arisen:

- repetitive

- some is too prescriptive "will" + "must"

prescribing what should be descriptive, otherwise:

"would" + "would have to be"

- a number of others we introduced as attention
without justification

main change: - reference to Treaty change → to the end

- solution more balanced way whether single

currency needs to be parallel for a long

time long fixed ex. rates; perhaps better a

gradual change

- notion of soft + hard ERM

period of soft ERM might be

required

problem

- substance of proposal + structural / to hard ERM

- cut down detailed description of inst. action,

less prescriptive

Chair: received the paper this morning, will think about it; one remark referred to Part III

de Lar: small remarks, last minute; not only re-acting but also substance; difficult, both parts up in discussion Part II

L-P: - soft + hard EU if change of table.
- also original problems

Chair: all parts will be considered; but will also have to Part I, what ECU add to Anglo Del, ECU will create better coordination, than the Anglo Del alone
Report must be acceptable to everyone, showing advantages & draw-backs

Chair: inst. part necessary? Para 15 refers to the draft; does it mean that 3x or should be left out? to be discussed further

L-P: question whether it can be discussed further; report can focus to principles + annexes;

Pohl: style of report should be practical + political; we should make proposals; there are 2 sets of proposals -> before the treaty + after this will be in Part III!
catalogue of measures within main book

the Treaty → multilateral change on basis of
for reaching political decision

an balance satisfied with Part II, but not
has many technical detail → minimum version in ECU
for future Europ. central bank, the Council should
decide that

but we can't say: 1) if you want this, at
a certain point we have to decide on procedures
for common decision making in final ... branches;
for members → ESCB, have to make clear,
that such a system should be based on basic
principles as mentioned in draft;

if it's other, we would not have
suggested in some way

don't have to say that ESCB should
be created as soon as possible; but if we
want ECU then at one time we need a
common policy & we need an institutional
for it with certain basic principles.

L-P → para 19 of Part II still needs some polishing

de Lar → agrees with Pöhl; it is pretty clear;

L-P → agrees!

Chair → style: few principles

Alamy → full agreement with Pöhl + de Lar

an ECU → talk to deal with private ECU; agreement with Dandberg

→ an official ECU, brought by another fundamental issue + look at it pragmatically, → how will system operate? with W-Report definition there is perplexity, because conditions would suffer to intense rise;

has been concerned for a long time with free capital movement without a better interrelated memb. policy; talking about irrevocable locking without saying what monetary policy should be oriented to. However, the OECU seemed to be an instrument to bring about a unified monetary policy. OECU might be the essential nucleus of ESCB; common policy implemented through OECU than executed through national banks;

this problem set out in 6 pages of 2nd paper

paper should not complicate the report, only an additional definition showing how OECU could be used + how the agreements in law + This paper can be subjected

then → problem, not certain about the steps to which proposal would apply. Among these II, since we have Treaty but no locking. Now, once the parties are locked! Not the same.

Giscard → conditions that obtain at the moment of locking

de Larosière → agrees with Giscard's idea, but will have to be situated in Part III; cannot move to locking of laws is no ~~not~~ operational framework, which has to be defined;

more → global objective of monetary policy for all countries → inflation rate, growth target, ex. r. target

must ensure that there are no distortions, need mechanisms already in stage II, must be able to control liquidity in countries

// report need a few pages; Giscard's idea must be reflected; the framework must be indicated, even if instruments differ

Thygesen → in note 1/81,

1) on parallel currency → conceptually rejected, although language has categorical

2) independence → important, happens with para C of II

3) need to give encouragement → we say little more, should be in Part III

use of OECU, subscribe to Group's x do not want
how to describe clearly the mechanism how to
exercise aggregate monetary control;



do not they make →

2 elements added:

the new role of ECU,
different market rules

how to operate it with
adjustable ex. r.

then problem could be resolved,
it is essential to describe the system

could also describe use of OECU in the future

also how description of various requirements can be linked
to monetary control → perhaps indicated in Part II

in final stage not so essential when Member credit expansion
take place

They return only symbolic, but important to think in these terms

Boyer: keep great principles for technical details
in Annexes

- how to implement monetary control also not have to be
included in main report

- discuss principles + how to transfer principles

Group's proposal is not the only one; may be
quantitative controls on credit expansion, also mechanisms

in 3rd committee; most important are matters
which have to be resolved on the system

if we leave it to the Annex, write down para
relating with ECU;

many ECU note cannot show day means

Hoffmeyer → Giscard's proposal a very simple system,
which controls monetary policy this way; it
is an extreme case, probably not chosen by
Council

→ on ECU, OECU + PECU should
be merged, but this would allow central
banks to acquire base money

Pöhl → agrees with Giscard's intention; instruments are
needed to control money supply... but this
scheme is probably not the most elegant way;
there may be other ways → though it's unclear &
Giscard's in other form

what ECU we are talking about. → a basket
or something called ECU but would be different;
if basket ex. r. preferable to create a new currency
unit generally

leave all this out → put it in an Annex,
saying there are many models;

first step, agree on principles of ESCB,
technicalities to be left to a later stage

Com → agrees with other

need to formulate in the the process
decides price, ex. rates & one monetary policy

↓
principles laid down clearly, that program is
needed;

↓
then a Annex: various possibilities that could
be chosen by a new institution;

several possibilities exist;

~~market~~ market that institutions needs to be
clear

Giscard's proposal could be there
also Com proposal technical for Annex

Pohl → Annex must say there are many models
free;

Com → on PECO, in the preparatory stage, say clearly
that for markets to operate as freely as possible,
all restrictions be lifted

↓
but don't force the hand of public
institutions to transfer in ECU

to prepare
the sound
and allow
market
participants
to operate
freely

Gianni: agrees, but clarification needed on his approach, which was not to get approval but only a characterization of how to achieve stability before there is a single currency; national currencies based on hypothetical monetary policy

Chair - lets agree: on Prasad we should:

- existence of parallel c. within central bank variables (Munich last time because not clear whether basket or fair game is in Pohl)
- one day ECU will be only currency
- all obstacles to voluntary are should be removed, a currency may emerge

in Prasad

- minimum degree of - but possibilities for common policies

in what way can phase II prepare III?

It has to find arguments to reject notion that promotion of ECU will help, etc

Gianni → ???

in the Report that ECU should become
single currency also add that O ECU should
could play a role as reserve?

Pohl → his objective is in context of report

not then say the Com should endorse the
ECU as single currency,

what ECU, nothing has been said;

only rhetoric!

whether reasonable? may be the future
currency has name ECU; composition of basket
stable & single currency not rates

thus → ~~then~~ take out reference

the man says that it is better than move to
a single currency

Boyer → agrees with Pohl, but if we don't say anything
about the possible future development of ECU
cannot weaken the ECU
at least a rhetorical statement,
then refer to ECU in article 109

Chair → but last time everybody agreed to ECU as
single currency

Cholizias → Pohl is asking what kind of currency, with
fixed or not basket cover mechanism, all
identical; the advice to use the ECU

Godwin understands Pohl, but last time benevolence
of EMU is future currency

Also he cannot be silent, have to say something

Zahne → 2 things should be made clear

- EMU can serve as a model when a
single currency is introduced

- at that transition we have to make
sure that the transition between EMU and
national currencies goes ~~smoothly~~ smoothly

L-P in para 6 → only at a later stage, is this
wise to put so much emphasis on a long period;
locking may not hold if we have national currencies;
once locked, may have to introduce single currency
soon;

once we have locked, we must be able to introduce single currency

They are responsible → no objection to...
essential point for markets

in L-P → with fixed ex. r. it is true that countries
should be able to introduce single currency

Prinzbach → responsible for psych. + political reasons; still
in favour, plus using the whole substance

Pasle → important point is not whether basket or something else ECU, but ECU requires a single currency

↓

but great danger when moving to fixed, because not a better situation but a worse one if one does not indicate the move to a single currency

Hoffmeyer → common then opinion on ECU →

it would be natural if we move to single currency to use the ECU

Boyer → the ECU will be the base of a future currency

Pöhl → mention ECU in Chapter III; advice to remove ambiguities

in III something an official ECU? Doubtful? like a monetary policy instruments difficult to see

but perhaps can be examined

further

in II → future currency will not be a basket currency; has doubt, ECU will take other business; plays no role in Germany; perhaps borrowing would be helpful;

they delete, but say we aim for a single
currency and in this process the ECU could
be helpful

De Larosière → the future currency will have little
resemblance with ECU (basket), but
when common policy & ex. r. locked the
question of ECU definition as a basket will
not be of relevance

we should not say that
the future currency would be the ECU

the ECU will eventually be the basis for the
high currency

Pöhl the ECU could be developed into the future
currency

Chair: - James point important → linking the ECU
will be agreed on ECU ... "no discontinuity ..."

- if there is no political impetus behind ECU,
it would be reluctant to disappear

- even if we say ECU will be currency,
no basket but the "general"

then → have to say in the Schmidt / Ansard
→ have to find words, allow in the
lines, have to find a further
picking up the 3 elements above

Chair: Part II

Del:

para 1. → This implies total freedom of
relation to factors of production process... ✓
inevitably ^{require a} fixed ex. rates as a single currency, this in
turn would ^{mean} a common policy and a high degree of independence
or ^{at least} consistent ^{of ec} policies.

↓

Point → not balanced ↑ strengthen last part of text ✓

"imposed by ex. policy..."

Keep! as policy objectives → should be maintained

Hoffmeyer: para 3 → why relationship to other kinds
of policy but not to monetary policy

Area: day-to-day work,

Impact of monetary policy → imbalance
between monetary policy + other policies

Quinones: agrees → strong emphasis on central bank
monetary policy + weak budgetary + financial
also in para 13

para 3 → there can ... see text

fiscal binding + enforceable rules

ec +

Jaans agrees; → holistic effect of budgetary policies;
have to be clear about the extent to
which sovereignty has to be ~~strongly~~ strongly strongly
also p 18 → urban parliament

in introduction → recall that it is
prevalent in most countries that EC
come before political union;
and EU set up in the wake of
political union was to improve circumstances of payments;
not market based
(will get text)

Hedriksen parallel approach of ec. + no. union matters;

have to discuss this; subsidiarity must apply in principle
to both;

ec aspects are behind!

Toll agrees with Jaans, para 5 unbalanced;
EU too weak, form correlation between

and para 3 → last 2 sentences: ...
heads need text!

Why → there is agreement, well reflected in Part II;
shouldn't say too much about fiscal

like the law formulation

Germany was an example → full union before
political unification

↓
3 years
labor fixed
to work

Boyer → Keynesian to push parallelism too far; principle
of subsidiarity

↓
EU = common policy = considerable transfer
of authority

fiscal policy = limits to deficits & form
of financing

if we go too far → no freedom for national ec. policy left; but

there is possibility for national differences in taxation & spending

thus → introduction: but no more;

experience with past (10 years) can be interpreted in 2 ways:

if we say that EMU without political union, we would
say something extraordinary

↓ say only that lack of example is
reason for renouveau

2 reasons:
(Levy → imbalance from him; 1) not necessary to push parallelism
2) would be just last
funeral of EMU;

Chair → ok make the union part
+ better balance in introduction

Doyle → cannot say there is no model, but
then recall the fallacies

but what imbalance between approach
in monetary & non-monetary policies

↓
for technical reasons clear in monetary policy
but don't give the impression that coordination
of ec. pol. is less important

fiscal policies can have regional effects → therefore

Doyle → rebalance the balance in introduction
in 3 take out "Europe"
+ try to achieve high degree of consistency

Lois → fiscal & budgetary the same in English
use one

Chair → on M4 → make an annex → ECU as
a common currency make Annex
p 4 last sentence

Reynolds p 5 middle para too disruptive

Bans p 6 → first full para

↓

... not ex. r. can no longer be used at ...

but main point → abolish has impact in indicators

ex. r. pressure } indicators
loop

we focus on direction of ex. r. fixing

supported text!

p 4 head para → ^{difficult} plan will this year, so

p 5 ^{para 4} chimney to back → severely exaggerated

Law → but this is important, although difficult to prove;

Law

Hoffmeyer p 5 + 6, check

in p 6 → if no key indicators → ^{unemployment is} an indicator

optimum chosen area difficult to live with;

Law opt fixity from growth columnizes the drawbacks;

Thy: in lines 5+6; blanks are not clear, to some
extent on p 5; have better i-value or some carbon's
that warranted; a positive value of not using the ex. r.

marked; has text for para 5 on p 6

L-P top p 4

Boyer all advantages we filled in → in Part I?
 the refer back;
 reduction in transaction cost = advantage
 but also disadvantages of trade barriers

Chair → at the end of Part I, comparison of
 advantages & cost of ERM

take it out of Part II

Melior → para 5 ↔ contradiction to para 1

*

↓
 have 3 conditions → too broad; they are
 necessary, but not sufficient

brother of p 3 → why bother to have a single
 currency; somewhere explained!
 benefit of single currency cannot
 be found nowhere

p 3 which in principle not necessary

on p 5 [] delete

p 6 → 2/3 shown → such a

p 7

Doyle p 6 ; just further → dialogue with Jaans

accepts that it is of diminishing importance,
but commitment applies to only 4 members
and not 12

not correct to look at ex. v. as an emergency
issue; great concern to have this instrument
importance of this sense of comfort differs from
country to country, depends on trade / GDP

1 / Doyle ^{the most serious problem → the greatest}
^{difference} change between the present situation and
ERM; must distinguish features

Doyle p 3 ^{a single currency which} in principle (agreement) of
Committee with fixed partner

p 6 ^{benefits + cost} at the end of pro
is barological
as the C MacLays into ERM

* Doyle → regional policies in context of structural

Chair → document on cost + benefits of ERM
within 2 weeks, before next meeting

p 7-9? remarks; then para 14

Hoffmeyer → parallelism

have 5 models discussing ECU

construction of budget

order regarding adjustment

harmonization of cost policy

" of base rate

" of social contributions + unemployment payments

Rohrer → very difficult → harmonization of labor cost

Hoffmeyer → cost policy, not cost

de Lar → but cost can be different

Boyer → difficult to go further than definition of ECU
on p 7

- liberalization of markets

- minimization of intervention

- promotion of activities

- public goods

perfect definition!

EU more difficult to define than EMU, because means
to be neutral as possible; but permanent intervention
is never neutral

p 9 para 13 too broad... not acceptable!

if no taxation discrimination, price up should be possible

disregarding, must

Chair → 2 (see this up)

Cooldan, para 10, p 7

As regards ... para → present difficulty,
common hierarchy and the point difference

Law first criteria on p 7, para 10
consequences for policies to sustain ~~policy~~
EMU? What is the practical significance,
what policies would it lead to?

↓
for products
EU objectives;

Agreement e.g. tax area → not fully harmonized for EU
purpose; but this ^{first} criteria means that there is
a balanced tax system for the C as a whole

Chair: it is ambiguous

Cooldan: Andriessen: in para 13 perhaps too specific
reference on wages → financial reservation → right place?
in favour of raising less

Doyle p 7 last sentence of first para of 10
first criteria what does it mean!

Chair: * either EU in line of rules
or else

- functions regulated at C level → competition
policy, taxation & reserves
- rules of competition which prevent anti-competitive
behaviour, essentially competition

- environment of free market
- policy cooperation on regional policy
- constraints on national budgetary policies

EU law & pillars, allowing countries to live with differences and remain open for introduction of national policies

de Lar → yes

Chirac → 10 lines on competition policy
 " " environment of single market
 Don't bind budgetary policy
 How region benefit from EMU

Doyle → don't accept that C-budget remains small; conceptually!

- examples: - fed. budget anywhere 20-30%
- large transfers from centre to regions

$p < p^*$ (not sufficient) ok, $p > p^*$ (not sufficient), however
 seems to contradict this; but sufficient cannot be
 maintained

$p < p^*$ tax treatment could produce a situation between
 C centres

Boyer → different rates of corporate tax exist, pushing full harmonization
 of direct taxes goes too far;

indirect taxation harmonized; but not

Chair → some policies can bring about a union
but others will be the outcome of the
market development
this thinking

Chair → para 11
rules → no → but constraints
also structure is not a means

Chair → - costs + benefits of EMU have to be
checked
- instruments of EMU have to be kept
apart
comparison

Chair, for discussion, budgetary policies
& common (regional, environmental, technical etc.)

Let's start with budgetary policies

not enough; 74 was found, but also need documents

Chair 15 → full agreement; ~~that~~ price, but
19 17 in context

12 16

de Lar → agrees

Lam → difficulties with math paras + introduction

Pohl → first para on p 12 --- and other
--- have to
uncoordinated + divergent budgetary
policies

text from Pohl

de Lar

Pohl

p 11 differences ... text!

* Tavares p 13 line 13 see Part II
↓

Dalgaard introduce on p 13 the word "binding" in the
"binding objectives"
after taking into consideration the ec. context

de Lar: in principle ok with Tavares additions,
but cannot allow to be a country to be less
than the rest;

Tavares: e.g. when fixing maximum deficits take into
the conditions of each country

Pöhl → delicate point → in EMU, the weaker the
cashes the smaller the deficit

Tavares → in favour of strict limits on
member financing

Chen → 3 main points for Europ. budgetary
framework will take into account special
conditions, but extremely difficult

Boyer → but real constraints in the same way? really
must accept differences

have a set of rules, but fix limits for
each country

Com → principle easy to see, but enforcing difficult

Char → ~~if~~ binding rules together with
common attitude towards each country

Pöhl → strict limits on member financing?
mem. fin. should be limited to
1-1.5% GDP budgetary financing, some exceptions →
member financing through transfer of ~~budget~~ profit

Delors → excellent rule, but open market operations
we also reduce financing

Pöhl → but that is not member financing

Chelidias → s-t financing not sufficient, all
financing is s-t, rather not more than
~~the~~ 10% of budget deficit

Boyer → would it not be enough to say we need
binding rules

Charr → shall we take up the same principles in
this para?

Yes, would strengthen para 15!
can also take account of Tavares point

Doyle 11/12 drafters should be looked at

de Lar p 9

Charr : now common policies p 10!

X Doyle : paper does not have to discuss what the best policies
are;
focus on text, overall have followed him
look at text →

on principles behind it, the frame of mind:

there was a consensus:

starting point: in the situation contemplated there will be no
national policies left to counter ^{contingent} ~~contingent~~ force
(can have / other hand not accepted by him)

process leads to division:
periphery vs periphery; headquarter & technology at centre

an ex. s. demand, adjustment through factors of production,
esp. labour;

principles

- to eliminate locational disadvantages
- large labour movement cannot be the adjustment factor
- regional transfers, not only money but critical mass investment
- not has to be argued on basis of regions and not member states
- policies on the basis of programmes, not projects
- regional issues have to involve the private sector (supply side approach; (has market in this direction; compensation policies not viable); but many of cases still needed
- C policy has to be based on the C-owned resources;

regional policy not self-contained; ongoing process; there must be a regional policy dimension to every policy; ERM must be beneficial for everybody.

T-C

Chen

- whether all regions benefit, arose in single market, arose more in context of ERM;
- allowance to be made to special local circumstances
- but the mechanism you lose is ex. rate, and that has not been used much; therefore regional policies more urgent

↳ in 80s → better use of human resources
→ stronger support for periphery

AP package → doubling of resources

replacement of project approach by programme approach

prospective since Feb 88 changed, then 16000 projects,
now 60 programmes; total not to be classified as a
region

in 92, if least favoured regions have not benefited.

anything will go to a halt;

if successful, policies have to be strengthened

→ 14th ECU not enough;

question that regions can develop on their own?

- emphasis on self-development, but excuses for Irish
- in light of EMU with more growth, will companies
not be attracted by lower cost in certain regions

would like a text reflecting common, but also

the other elements, esp. that other countries must be
aware that there won't be EMU of structural budget
only 14th

need a chapter, not too affirmative;

regional policies must be tailored to special conditions;
transfer research & technology to these areas;

* Tavara → suggestion to replace second text in para 16
with this + emphasize regional policies

Can → does ECU make the existing treaty
problems worse?

Weyle → yes! going towards ECU will make
exacerbate + produce problems which
will it make impossible for ECU to
overcome

de Lar → too much in Pöhl's statement, if ECU is a
catastrophe, ECU is to say → don't join
if ex. r. goes up, that is the only change?

Andriessen → para 14 last sentence → how can nature of
conditionality be applied!

Chair → if not clear, to reward

Godeaux →

Chair → Institutional aspects

Mintzberg both p 14
page 16 - committee Council of the

Chair → difference of view → democratic legitimacy is shared
by EP + national parliaments; therefore the Council of
Ministers must appoint the Board; because of language
that would involve powers of EP, a constitutional
matter

→ ESCB can write a report; members can read, but not submit it to anybody
like BBK; prefers this

Pohl → why independence? Because only then permit of necessary policies for objectives; independence only an instrument

but institution cannot act in vacuum
needs rules like physician (3rd law under Stefan)
if BBK as example, the Board is appointed by Gov. & obliged to support the policy of the Gov.; that cannot be acceptable to him, but has to be negotiated by governments

but should say that the system can operate efficiently if independence of instructions

EP → 1st model; advantages + disadvantages but don't want it to be a creature of the EP

preference for Council of Ministers; limited function → appoint members of Board; not report to the Council; who makes proposal → ^{European} Council, at least as Chairman if concerned

Merensky → as reporting: only public
as appointment: in all, the Board makes the proposal to Council of Ministers; could have the same procedures

Group: → agrees with Drumbling;
apparatus in Italy the same as in Fed;
proposal by Board, approval by Government +
finally checked by President of the Republic

p 15

Law p 14

● Drumbling agrees → but looks to have implementation
of Law but open market operations in Treasury
bills in each country

Law main market for DM Gov. futures is
in London

● Codeaux → on shares, at James → then cooptation
principle → ^{approved by Council} upon proposal of Com. of Gov.

Group second time on reporting

Doyle on shares; not our business, but not
debatable

para 17; have to have a new mechanism as
authority must start at C-level

Chelinas para 17, last part

Board should be appointed by
European Council, could be proposed
by Com. of Gov.

on mandate, covers first one; but do
we need second sentence?

mandate? lack of the system of
commitment, mandated

Andriessen → end of para 17, more substance

on reporting to Council? Ambiguous

public report → ok

appointments → Europ. Council, policy together
with Commission (explaining that
Commission is independent)

Andriessen ~~proposal~~ → appointment is Ministerial, but perhaps
has detailed for legal and political

on day-to-day operation → depends on evolution
on mandate; conflict but prefers 1st version

Pohl → mandate → can't say something about
practicality;
merge the 2 proposals

that with 2nd line

on stakes

- efficient monetary policy not conceivable without
~~system of such an independent system~~
- don't say anything about legitimization
- appointment → should we make a proposal?
say only → this is a crucial question to
maintain independence
or appointment should be formalized,
for a long time; system has a veto-right to
appointments

think about this

They → structure + organization

- Council representing all central banks;
rather than; creation of new effort
to be reflected
- second method must be clear
that Board members are members of
the Council

Assembly → an appointment → not be specific
stress independence, appointment for a long time;
don't discuss procedure

Chair : have to think about it

Council → Gov + 4 members of Board
+

Appointed by Europ. Council
on proposal of
Central bank Gov.

Chair → how deal with ~~pro~~ objection of Dir. of Fin.?

Chair → EP can make members of the Board

● think about

Wintgen → para 19 → total new draft in the light
of today's discussion

Boyer → appointment by Europ. Council will not be objected
by Dir. Fin.,
but impossible that Committee of Gov. makes
the proposal
rather say choice of people with experience...

say something on reporting → EP has the
possibility to call the Chairman of the Board before it

publication of AR, transmission of AR to EP

Pöhl → appointment → members of central bank Council
appointed by President, after approval
by Cabinet, after proposal by Dir. Fin.

but Gov. cannot give instructions on
policy matters; only 2 week veto right

members of Council must have necessary qualifications
and Council must be consulted

too weak; should be
stronger in Europ. Central bank

Delors → merge Boyer + Pohl

Chabrias → mandate of para 20
cross participation consistent with independence?
Yes

Delors → say why important to be independent
↓

- multi-lateral institution, cannot be under
instruction from national authorities

L-P - security of tenure → irrevocable appointment
for a certain period, 5-7 years

Chair roles on ec. field?

new inst., binding rules?

Doyle → intended to have a new inst.,
not as debilitated as ESCB
but centre of authority at which carries the
responsibility same weight as the Board of the ESCB

Prudential → binding, enforceable rules à la Com

Com → p 18 looked last para

de Lar → important matter of policy coordination
take place
under guiding rules

if this does not work, the Europ. Council
must decide a procedure

Chenot → new institution, = revolution!

Part master

Schmidley → mentioning on cat + advantages of ECU

T-6 page on that

that in parallel French + German text

Part II

ME - ECU imbalance in introduction

- C-benefit will grow
- 3 mth access to loan

Wants to

change the character of Council + Commission