

17/18 March
final editing meeting

Ask Cam for paper on fiscal balances

Working session on 14th Jan

- operation of wave 2 - definition;

- Feb. meeting

What remains to be discussed?

27/28 Feb.
editing session
with Pauline

26 Jan
working session

→ a separate saying that conditions not very strict 1492 requirements

but saying that conditions are improving, although it may take some time, which will allow Eder!

→ have a report in March!

James → no positive paper

single market, plus agricultural policy, competition policy, common external tariff

Economic Union

- common policy to enhance the efficiency of Community
Fields of? Brussels package; optimal utilization of resources
in all regions

increased coordination for reason of policy mix
to maximize growth + stability

not only regional ~~and~~ policy

once this explained, then discuss what to do in the
other areas;

Regional policy → financing of deficit areas; not too much
through official channels, i.e. through the C budget

EU
Employer class coordination, how far?

|| The achievement of coordination requires itself by capital
movements. 1992 not achieved without further coordination

even on the scheme leads to 1992 the same question
pose itself that arise in the context of EMU!

class coordination is a requirement of 1992

end of Part!

then come to three elements of EU

and concentrate on budgetary aspect.

Enter Part III with a second layer horizon

Particularist question: ESCB must give report to ^{European Council} ~~Finance Ministers~~,
and not to EP

to avoid problem of accountability! ← ^(European) Council has to examine every year
the state of ec. + members;
institution its development and progress

an EC → ec. decision center → Commission, ^{Ex. Dir., Exp. Com.}

a unitary of Commission → Ex. Dir. has power,
but Commission no power;
this cannot continue;

to promote coordination ← ^{already} Commission must ~~be able~~ ^{be able} ~~to~~ ^{to} advise
and ~~to~~ ^{to} ~~advise~~ ^{advise} Council
& Council (ECOFIN) cannot
advise; also President of European
Council

on institution → no new ec. institution

↓
confirmation of existing institutions
but in a scheme of
improved coordination +
transparency

in the final phase not only the position of national budget but also the C budget;

2 papers: by DG II

→ if program continues to EMU; what does it add to 1992;

→ an regional policy, putting things right;

Emerson:

Distribution
of ec. policy
papers
18/12 Dec.

on regional funds →
financial transfer important but
not sufficient; important to help to
develop the particular resources that which
exist; there must also be some
peripheral problems.

but there are limits of experience has
shown! help for self-help

8⁰⁰ breakfast
at Wilton

Feb. 2

- 3 papers
- monetary aspects
- regional
- macro-fiscal

- scenario A & B ?

fiscal policy note

- why fiscal coordination is necessary?

- market mechanism

- why would they not work (in general)

- current situation in C

- comparative fiscal systems → what can be learned

- problems for the C

- different country size

- small C budget

- possible solutions

5 pages

request by Chairman

4.1.89

Macro-fiscal functions performed by the Centre for economic policy coordination

- 1) Establishment of limits on national budgetary deficits and rules governing their financing; these binding limitations should be recognized by changes in national legislation in accordance with provisions agreed in the Treaty.
- 2) A one-time consolidation of budgetary positions in those countries which lie outside of the limits stipulated under 1)
- 3) Annual coordination of budgetary policies (within the framework of setting the Community's macro-economic policy-mix), leaving the possibility of temporarily waving the limits stipulated under 1)
- 4) Harsh procedures aimed at exerting peer pressure on countries which in the course of executing their budgets deviate from the agreed objectives; this would involve, for example, special meetings.

4.1.89

Relationships between ESCB and CEPC

1. Appointments

- .Ecofin appoints members of the Board (?)
- .European Council appoints President of ESCB (?)

2. Annual accounts

- .Annual accounts are presented to.... and approved by...
- .Profits (losses) accrue to the [Community budget]

3. Policy

- .Annual session of monetary-fiscal policy coordination between ESCB and CEPC
- .[quarterly] testimony of the President of the ESCB before PE-Committee
- .right of the [President of the Commission - President of Ecofin Council] to participate in the Council of ESCB.