

EUROPEAN PARLIAMENT

18 January 2000

B5-0089/2000 }
B5-0090/2000 }
B5-0091/2000 }
B5-0092/2000 }

}RC1

JOINT MOTION FOR A RESOLUTION

pursuant to Rule 42 of the Rules of Procedure

by the following Members:

Mr Goebbels, on behalf of the PSE Group
Mr Huhne and Mr Gasòliba, on behalf of the ELDR Group
Jonckheer, Auroi, Kreissl-Dörfler and Staes, on behalf of the Verts/ALE Group
Wurtz, Brie, Jové, Bertinotti, Schmid, Theonas, Papayannakis, Cossutta and Miranda, on behalf of the GUE/NGL Group
Mrs Kuntz and Mr Couteaux

replacing the motions by the following groups:

- GUE/NGL (B5-0089/2000)
- PSE (B5-0090/2000)
- Verts/ALE (B5-0091/2000)
- ELDR and PPE-DE (B5-0092/2000)

on international capital flows

The European Parliament,

- A. having regard to the ever increasing volume of international capital movements and the part they play in the phenomena linked to the globalisation of economic relations between states,
- B. having regard to the adverse economic and social impact of the recent financial and monetary crises in various parts of the world and, in particular, the exorbitant cost of these crises to the emerging economies,

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- C. concerned ultimately to establish a greater degree of stability in the monetary, financial, economic and social system at world level, something which can only be achieved by means of closer international cooperation,
- D. whereas many market operations still are quite opaque and different countries apply different standards of measurement, making monitoring and vigilance by supervisory authorities difficult,
1. Notes the process of reforming the international financial system which has been launched under the auspices of the IMF, the Basle Committee and other international bodies, such as the G7;
 2. Emphasises the vital importance of establishing a regulatory and prudential framework which is capable of ensuring that globalised financial markets, once rid of their excesses, can operate properly;
 3. Calls on the European institutions to play a firm, active role in the establishment of new international financial arrangements;
 4. Underlines that the causes of financial crisis are not only inherent in the emergence of a global economy (globalisation), but also in unsound fiscal and monetary policies pursued by national governments, cronyism, structural deficiencies, lack of democracy, inadequate economic liberalisation governed by the rule of law, and failing supervision of the financial sector;
 5. Calls for improved rules on the prudential supervision of the financial sector to be agreed internationally and applied world-wide;
 6. Recognises the case for developing countries, without mature capital markets, applying Chilean-style reserve deposits, which would discourage short-term capital flows, while leaving the long-term flows unimpaired;
 7. Asks the European countries and institutions involved in international monetary organisations to emphasise ways of 'bailing in' investors, so that they share losses when countries face financial crisis;
 8. Asks the Commission to examine ways of bringing pressure to bear and possibly imposing financial sanctions on countries which foster tax evasion, such as offshore centres;
 9. Urges the Commission, in this context, to draw up within six months a report dealing with the desirability and feasibility of a tax on international speculative capital movements, considering, in particular, the practical arrangements for the introduction of such a tax;

10. Asks, therefore, the Commission and the Council, in preparation for the next annual meeting of the IMF, to come forward with a position paper on these issues, which will be submitted to the European Parliament;
11. Instructs its President to forward this resolution to the Council, the Commission, the governments and parliaments of the Member States as well as to the IMF, the Basle Committee and the Secretariat of the G7.