Economic policy co-ordination in stage 3 of EMU

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In an own-initiative report on economic policy in the third stage of EMU by Mr. Carles-Alfred GASOLIBA I BÖHM (-ELDR, E) the Committee highlights the need for a closer coordination of Member States economic policies. Coordination, the Committee stresses, is vital to the cohesion and stability of Monetary Union. Thus the Committee calls for the conditions to be created so that the EU can adopt a coherent and effective economic policy. Under the Committee proposal, the current broad economic guidelines should be expanded to determine orientative targets for key economic variables, such as growth, unemployment and wage trends. These would then be used to establish a policy mix conducive to growth and employment. Other Community policies, such as competition, industrial and R&D policies should gradually be integrated in the broad economic guidelines. At the same time, the Committee underlines that such an increased coordination of economic policy must go hand-in-hand with greater democratic control. In particular, the Committee calls for an active and formal participation of Parliament in the process of supervising the management of EMU. Also, the Committee calls for a genuine social dialogue over the economic guidelines, for example through the creation of an annual conference involving the two sides of industry, giving them an opportunity to deliver an opinion on the draft broad economic guidelines.