

Bonn Communiqué

The heads of state and Government of Canada, the Federal Republic of Germany, France, Italy, Japan, the United Kingdom of Great Britain and Northern Ireland and the United States of America met in Bonn on 16th and 17th July 1978. The European Community was represented by the president of the European Council and by the president of the European Commission for discussion of matters within the community's competence.

1. We agreed on a comprehensive strategy covering growth, employment and inflation, international monetary policy, energy, trade and other issues of particular interest to developing countries. We must create more jobs and fight inflation, strengthen international trading, reduce payments imbalances, and achieve greater stability in exchange markets. We are dealing with long-term problems, which will only yield to sustained efforts. This strategy is a coherent whole, whose parts are interdependent. To this strategy, each of our countries can contribute. From it, each can benefit.

Growth, Employment and Inflation

2. We are concerned, above all, about worldwide unemployment because it has been at too high a level for many years, because it hits hardest at the most vulnerable sections of the population, because its economic cost is high and its human cost higher still. We will act, through measures to assure growth and develop needed skills, to increase employment. In doing this, we will build on the progress that has already been made in the fight against inflation and will seek new successes in that fight. But we need an improvement in growth where that can be achieved without rekindling inflation in order to reduce extremes of balance-of-payments surpluses and deficits. This will reduce destabilizing exchange-rate movements.

Improved growth will help to reduce protectionist pressures. We need it also to encourage the flow of private investment, on which economic progress depends. We will seek to reduce impediments to private investment, both domestically and internationally. Better growth is needed to insure that the free world is able to develop to meet the expectations of the citizens and the aspirations of the developing countries.

3. A program of different actions by countries that face different conditions is needed to assure steady noninflationary growth. In countries whose balance-of-payments situation and inflation rate does not impose special

Unemployment
Inflation, Monetary Issues
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