Incomplete implementation

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The Werner Report, officially presented on 8 October 1970, provided for the establishment of an economic and monetary union in three stages over a ten-year period (1971–1980). The final objective was the irreversible convertibility of the Member States' currencies, complete liberation of movements of capital and the irrevocable pegging of exchange rates, and perhaps even the replacement of national currencies by a single currency. The plan by stages drawn up by the Werner Committee recommended creating a 'centre of decision for economic policy' that would be 'politically responsible to a European Parliament' (elected by universal suffrage), and a 'Community system for the central banks', with this institutional construction involving a revision of the treaties.

As soon as it was set in motion, however, this plan ran into a series of crises one after the other — particularly the monetary crisis in 1971 (non-convertibility of the US dollar) which led to the collapse of the international monetary system, the first oil crisis in 1973 and the iron and steel crisis in 1974 — culminating in its de facto suspension.

Although its implementation in practice in the 1970s was not a success, the Werner Report marked a crucial stage in the process of European integration. In the history of monetary Europe, there is a pre-Werner and a post-Werner period. 'Up until the time of the report, which is inextricably associated with the Hague Conference, the Member States still had a vision of an economic union, or at any rate a common market, which they thought could be achieved merely by resorting, where monetary affairs were concerned, to the coordination of their policies; from the time of the Hague Conference and the Werner Report onwards, they admitted that economic union could not be brought about unless monetary union were progressively established.' [1]

[1] See Ansiaux (Baron), Hubert and Dessart, Michel, *Dossier pour l'histoire de l'Europe monétaire 1958-1973*, Vander, Louvain, 1975, p. 1.