

HOUSE JOINT RESOLUTION 5

Unofficial Copy
P1

2001 Regular Session
11r1494

By: **Delegate C. Davis**

Introduced and read first time: January 24, 2001

Assigned to: Economic Matters

HOUSE JOINT RESOLUTION

1 A House Joint Resolution concerning

2 **New Bretton Woods Conference for the Stability of the International**
3 **Monetary System**

4 FOR the purpose of urging the President and Congress of the United States to call for
5 an international conference to create a more stable international monetary
6 system, evaluate the feasibility of anchoring currency values to an element of
7 real reference, propose the creation of new credit lines, and define
8 infrastructure projects of international dimensions.

9 WHEREAS, In 1944, delegates from 44 nations met in Bretton Woods, New
10 Hampshire to redesign the international financial system, and voted to fix exchange
11 rates to the U.S. dollar in order to reduce barriers to trade and create stability in the
12 international monetary system; and

13 WHEREAS, The Bretton Woods agreement led to a stable international
14 monetary system and to the postwar economic reconstruction; and

15 WHEREAS, That agreement collapsed in 1972 when the United States chose to
16 eliminate the gold standard for the U.S. dollar; and

17 WHEREAS, Since 1972, the industrialized nations have chosen to let their
18 currencies float; and

19 WHEREAS, While floating currency rates free monetary policies, they reduce
20 the effectiveness of internal fiscal policies; and

21 WHEREAS, Financial crises have exploded in different areas of the world since
22 1997 due to a malfunctioning of international monetary policy and international
23 financial institutions caused by currency speculation; and

24 WHEREAS, These financial crises have had devastating effects for the
25 economies of developing countries, and have completely transformed the structure of
26 the world economy; and

27 WHEREAS, It is the responsibility of the federal government to adopt fiscal,
28 tariff, and economic programs that foster and promote industrial growth and
29 economic progress for all citizens of the country; and

1 WHEREAS, The federal government has the Constitutional power and
2 obligation to keep the country's currency strong, and to use whatever means is
3 available to enable U.S. citizens to earn a living wage; and

4 WHEREAS, Another of the major obligations of the federal government is to
5 provide the necessary infrastructure to sustain a profitable industry and economy;
6 and

7 WHEREAS, The federal government has no right to relinquish its
8 responsibilities to any international authority or community; now, therefore, be it

9 RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That the
10 President of the United States and the members of the United States Congress are
11 urged to call for an international "New Bretton Woods Conference" to:

12 (1) create a new international monetary system designed to eliminate
13 speculation in currencies;

14 (2) evaluate the feasibility of anchoring currency values to an element of
15 real reference in order to better control the movement of currency rates;

16 (3) propose the creation of new credit lines designed to develop
17 investments in the sectors of the real economy of each participating nation; and

18 (4) define infrastructure projects of international dimensions; and be it
19 further

20 RESOLVED, That a copy of this Resolution be forwarded by the Department of
21 Legislative Services to the Honorable Parris N. Glendening, Governor of Maryland;
22 the Honorable Thomas V. Mike Miller, Jr., President of the Senate of Maryland; and
23 the Honorable Casper R. Taylor, Jr., Speaker of the House of Delegates; and be it
24 further

25 RESOLVED, That a copy of this Resolution be forwarded by the Department of
26 Legislative Services to the Maryland Congressional Delegation: Senators Paul S.
27 Sarbanes and Barbara A. Mikulski, Senate Office Building, Washington, D.C. 20510;
28 and Representatives Wayne T. Gilchrest, Robert L. Ehrlich, Jr., Benjamin L. Cardin,
29 Albert R. Wynn, Steny Hamilton Hoyer, Roscoe G. Bartlett, Elijah E. Cummings, and
30 Constance A. Morella, House Office Building, Washington, D.C. 20515; and be it
31 further

32 RESOLVED, That a copy of this Resolution be forwarded by the Department of
33 Legislative Services to the President of the United States, George W. Bush, 1600
34 Pennsylvania Avenue NW, Washington, D.C. 20500.