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ID 8405721

F0006-08

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TO MCFARLANE

FROM HILL, C

DOCDATE 25 JUL 84

WALLIS, A

25 JUL 84

KEYWORDS: GERMANY F R

ECONOMICS

SUBJECT. PROPOSED DATES FOR 1985 ECONOMIC SUMMIT

ACTION: PREPARE MEMO FOR MCFARLANE

DUE: 30 JUL 84 STATUS S

FILES ~~WH~~

FOR ACTION

FOR CONCURRENCE

FOR INFO

SOMMER

ROBINSON

MCMINN

SESTANOVICH

COBB

MATLOCK

COMMENTS

*Cathy: hold for
Pls my review
Frank*

REF# 8421140

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NSCIFID

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ACTION OFFICER (S)

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Mcfarlane

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THE WHITE HOUSE
WASHINGTON

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8/23/84

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F0006-12

MIKE DENVER

We are staffing
this memorandum and will
be back to you with our
recommendation. This is
a heads up at this point.

Bob Kimmitt

cc ✓ Dick Darman
Mike McManus

Dates for 1985 Economic Summit

Memo for McFarlane and Denver
from Allen Wallis Aug 23 attached

UNDER SECRETARY OF STATE
FOR ECONOMIC AFFAIRS
WASHINGTON

~~CONFIDENTIAL~~

August 23, 1984

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BY ds NARA DATE 1/3/2020

MEMORANDUM FOR MR. ROBERT C. McFARLANE
AND MR. MICHAEL K. DEEVER
THE WHITE HOUSE

SUBJECT: Dates for 1985 Economic Summit

In my memo to you of July 25 on this subject, I expressed a preference for working with the Germans to see if they could not push the Summit back to late May or June in order to accommodate an OECD Ministerial before the Summit. While I still believe a later date would be preferable, I have now come to the conclusion that, unless there are overriding White House reasons to argue for later, I believe we should accept the German proposal.

In our follow-up discussions with Embassy Bonn, I have learned that, despite the fact that the Bundestag will be out of session during two other periods in May and June (i.e., May 27-June 4 and from June 21 on), Chancellor Kohl personally chose the earlier dates as "more convenient" to him personally. Our Embassy has offered two possible reasons for this choice: (1) Kohl wants a personal success before the May 11 regional elections in North Rhein-Westfalia, giving a boost to the CDU vote; (2) with the 40th Anniversary of V-E Day coming up on May 8, he may want a demonstration of allied solidarity close to that date in order to show that Germany is no longer isolated (as May 8 will vividly recall to the German people). Finally, I understand that the UK, Japan and Canada have informed the Germans of their agreement to the May 2-4 dates.

Given these considerations, I believe we should accept the German proposal unless you determine there are overriding reasons for a later alternative. If there are, we ought to make them known to the Germans as soon as possible.

Allen Wallis
Allen Wallis

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Buchanan

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THE WHITE HOUSE
WASHINGTON

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White House, Sept. 11, 2005
BY NARA *dh* DATE *1/3/2020*

WPS

April 20, 1985

F0006-08
F0006-12

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MEMORANDUM FOR SUMMIT WHITE HOUSE GROUP MEMBERS

SUBJECT: Summit White House Group Meeting to Discuss Preparations for the Bonn Economic Summit-- Wednesday, April 24, 1985, at 3:00 p.m., in the Roosevelt Room (U)

Mike Deaver and I will co-chair a meeting of the Summit White House Group on Wednesday, April 24, 1985. The purpose of the meeting is to review final preparations for the Bonn Economic Summit. The agenda and list of participants for the session are attached. *(U)*

Rud

Robert C. McFarlane
Co-Chairman, Summit
White House Group

Attachments
TAB A Agenda
TAB B List of participants

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David L. Chew
Thomas C. Dawson
William Henkel
Donald R. Fortier
Robert M. Kimmitt
Alfred H. Kingon
Karna Small
James Rentschler
Rusty Brashear
William F. Martin
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White House Guidelines, Sept. 11, 2008
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SUMMIT WHITE HOUSE GROUP MEETING

Wednesday, April 24, 1985

AGENDA

- | | | |
|------|--|------------------------------------|
| I. | Report on the Public Affairs Aspects of the European Trip | Ambassador Rentschler |
| II. | Review of the Political Agenda for the Bonn Summit, including Results of the April 19 Political Directors Meeting | Deputy Assistant Secretary Dobbins |
| III. | Report on Final Preparations on the Economic Agenda for the Summit, including Results of April 19 International Sherpa Meeting | Under Secretary Wallis |

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SUMMIT WHITE HOUSE GROUP MEETING

Wednesday, April 24, 1985

LIST OF PARTICIPANTS

Michael K. Deaver, Deputy Chief of Staff and Assistant to the President

Robert C. McFarlane, Assistant to the President for National Security Affairs

Patrick J. Buchanan, Assistant to the President and Director of Communications

Craig L. Fuller, Assistant to the President

Larry M. Speakes, Assistant to the President and Principal Deputy Press Secretary

John A. Svahn, Assistant to the President for Policy Development

Richard G. Darman, Deputy Secretary of Treasury

W. Allen Wallis, Under Secretary of State for Economic Affairs

Beryl W. Sprinkel, Under Secretary of Treasury for Monetary Affairs

David L. Chew, Deputy Assistant to the President and Staff Secretary

Thomas C. Dawson, Deputy Assistant to the President and Executive Assistant to the Chief of Staff

William Henkel, Deputy Assistant to the President and Director of Presidential Advance

Donald R. Fortier, Deputy Assistant to the President for National Security Affairs

Robert M. Kimmitt, Deputy Assistant to the President for National Security Affairs and Executive Secretary, National Security Council

Alfred H. Kingon, Deputy Assistant to the President and Cabinet Secretary

Karna Small, Deputy Assistant to the President and Senior Director, Public Affairs, National Security Council

James Rentschler, U.S. Ambassador to Malta

Rusty Brashear, Special Assistant to the President and Deputy Press Secretary for Domestic Affairs

William F. Martin, Special Assistant to the President for
National Security Affairs and Senior Director for Coordination

Robert B. Sims, Special Assistant to the President and Deputy
Press Secretary for Foreign Affairs

James Dobbins, Deputy Assistant Secretary of State for
European and Canadian Affairs

Roger W. Robinson, Senior Director for International Economic
Affairs, National Security Council

Douglas W. McMinn, Director for International Economic Affairs,
National Security Council

Gilbert D. Rye, Director of Space Programs, National Security
Council

Robert J. Morris, Deputy to the Under Secretary of State for
Economic Affairs

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E.O. 12958, as amended
House Guidelines, Sept. 11, 2008
DATE 1/3/2020

THE WHITE HOUSE
WASHINGTON
March 15, 1985

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MEMORANDUM FOR SUMMIT WHITE HOUSE GROUP MEMBERS

SUBJECT: Summit White House Group Meeting to Discuss Preparations for the Bonn Economic Summit-- Wednesday, March 20, 1985, at 3:00 p.m., in the Roosevelt Room *(u)*

The Summit White House Group, established by NSDD-152, will meet on Wednesday, March 20, to review preparations for the Bonn Economic Summit. Mike Deaver and I have scheduled this meeting to:

- o Discuss initial preparations on the political aspects of the Summit;
- o Review briefly the status of preparations of the economic agenda for Bonn, including a report of the February 15-17 international Sherpa meeting; and
- o Discuss the objectives and strategy for the next international preparatory meeting, to be held in Bonn on March 23, 1985. *(e)*

In preparation for Wednesday's session, attached is a meeting agenda, list of participants, the U.S. economic objectives paper for Bonn, and a report of the February international Sherpa session. *(e)*

The West Germans have indicated that they will be circulating to us late this week a "thematic" paper which will serve as the basis for Sherpa team discussion at Bonn on March 23. Upon receipt, we will also distribute this paper to participants in advance of Wednesday's meeting. *(c)*

[Handwritten signature: Robert C. McFarlane]
Robert C. McFarlane
Co-Chairman, Summit
White House Group

Attachments

- TAB A Agenda and list of participants
- TAB B Economic objectives paper
- TAB C Report of Sherpa team meeting

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Michael B. Smith
W. Allen Wallis
Beryl W. Sprinkel
David L. Chew
Donald R. Fortier
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SUMMIT WHITE HOUSE GROUP MEETING

Wednesday, March 20, 1985

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White House Guidelines, Sept. 11, 2008
BY NARA *dl*, DATE 1/3/2020

AGENDA

- | | |
|--|---------------------------------|
| I. Report on the Status of Preparations on the Political Aspects of the Summit | Assistant Secretary Burt |
| II. Review Status of Preparations for Economic Agenda, Including Meeting Report on February 15-17 International Sherpa Meeting | |
| A. Overview | Under Secretary Wallis |
| B. Macroeconomic Policy and Structural Adjustment | Under Secretary Sprinkel |
| C. Debt and Finance | <u>Under Secretary Sprinkel</u> |
| D. Africa | Mr. McMinn |
| E. Trade | Mr. McMinn |
| F. Environment | Under Secretary Wallis |
| G. Space Station Program | Under Secretary Wallis |
| H. Energy | Under Secretary Wallis |
| III. Objectives and Strategy for International Sherpa Team Meeting, March 23, in Bonn | Under Secretary Wallis |

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SUMMIT WHITE HOUSE GROUP MEETING

Wednesday, March 20, 1985

LIST OF PARTICIPANTS

Donald T. Regan, Chief of Staff and Assistant to the President

Michael K. Deaver, Deputy Chief of Staff and Assistant to the President

Robert C. McFarlane, Assistant to the President for National Security Affairs

Patrick J. Buchanan, Assistant to the President and Director of Communications

Craig L. Fuller, Assistant to the President

Michael A. McManus, Assistant to the President and Deputy to the Deputy Chief of Staff

Larry M. Speakes, Assistant to the President and Principal Deputy Press Secretary

John A. Svahn, Assistant to the President for Policy Development

Richard G. Darman, Deputy Secretary of Treasury

Michael B. Smith, Deputy United States Trade Representative

W. Allen Wallis, Under Secretary of State for Economic Affairs

Beryl W. Sprinkel, Under Secretary of Treasury for Monetary Affairs

David L. Chew, Deputy Assistant to the President and Staff Secretary

Donald R. Fortier, Deputy Assistant to the President for National Security Affairs

Robert M. Kimmitt, Deputy Assistant to the President for National Security Affairs and Executive Secretary, National Security Council

Alfred H. Kingon, Deputy Assistant to the President and Cabinet Secretary

Karna Small, Deputy Assistant to the President and Senior Director, Public Affairs, National Security Council

Richard Burt, Assistant Secretary of State for European and Canadian Affairs

M. Marlin Fitzwater, Special Assistant to the President and
Deputy Press Secretary for Foreign Affairs

Robert B. Sims, Special Assistant to the President and Deputy
Press Secretary for Foreign Affairs

Douglas W. McMinn, Director for International Economic Affairs,
National Security Council

Robert J. Morris, Deputy to the Under Secretary of State for
Economic Affairs

James L. Hooley, Deputy Director for Presidential Advance

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Key Summit Economic Objectives

1. Context

The London Economic Summit resulted in a strong endorsement of the basic anti-inflationary stance the Administration has advocated since Ottawa. There is now a clear recognition among Summit countries that sustainable economic growth and job creation should be based on domestic economic policies that foster market-oriented adjustment, reduce government spending and maintain stable monetary growth.

The London Summit marked the passage from a period of constructing a firm domestic base for non-inflationary growth to a period of enhancing the openness of international trade and finance. As Williamsburg signalled the imminent fact of recovery, and offered an outline of our future strategies in the international economy, London gave a clearer focus to future tasks as well as current action.

While the US economy continues to perform well, doubts persist (mainly in Europe) over whether other Summit countries' recoveries will intensify and whether an enduring world recovery is possible. The Bonn Summit thus comes at a time when individual country action to promote further convergence of economic performance and concerted action to achieve more open trade and financial markets are both necessary to ensure that world recovery endures and its benefits spread. To reinforce the Reagan "sea change" in domestic economic policies, the strategies laid out at Williamsburg and London for dealing with the interrelated problems of growth, debt, trade and finance must be pursued actively.

Our recommended key objectives for next year's Summit, outlined below, once again focus primarily on domestic economic policy, international debt and trade, but also echo or advance other main themes (e.g., energy, space station) introduced at London.

2. Economic Policy

Focus attention on the need for structural changes (in both developed and developing countries) in order to promote stable growth of output and employment with low inflation. For each of the main participants, we will stress the following in bilateral and appropriate multilateral contexts leading up to the Summit, and work for Summit results that reflect the "Basic Themes" set out below.

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a) For the US: Basic theme: continue implementing Reagan "sea change" in American economic policy and performance, to keep US a strong and reliable keystone for free economies and global growth.

This implies the need to continue efforts to reduce the share of government spending in national income; to assure monetary growth compatible with low inflation and a sustainable rate of real growth; to maintain market liberalization and deregulation efforts; and to promote tax reform to enhance stable growth and investment potential.

b) For Europe and Canada: Basic theme: overcome resistance to change which threatens longer-term stagnation of those economies.

This implies the need to free up labor and capital markets to promote structural change and greater responsiveness to market forces; continued pursuit of non-inflationary macroeconomic policies; and strengthen efforts to control government spending where needed so as to reduce the share of government spending in total output.

c) For Japan: Basic theme: demonstrable success of Japanese economic policy and strength of Japanese economy have set stage for full Japanese participation in Western economic leadership, and acceptance of attendant responsibilities.

This mandates the need to fully implement and accelerate liberalization of the capital market and to adopt a more effective strategy for opening markets for goods and services.

3. Debt Strategy

Welcome progress during past year and reaffirm continued validity of the strategy as outlined at the Williamsburg and London Summits. Use April 1985 meeting of Interim and Development Committees to focus attention on the medium-term situation in order to broaden the consensus on the need for sound policies leading to sustainable, low-inflation growth and a more open trade and investment environment as critical to the long-term success of the debt strategy, and endorse these concepts at the Bonn Summit.

4. Trade

Promote the concept that more open trade is an essential component of our economic growth and debt strategies, as outlined above. Freer trade, based on principles of overall reciprocity and fairness, will reinforce momentum gathering toward high levels of sustainable growth, lower inflation and needed structural change, both within our own economies and in the global economy. Stress that the only effective way to assure such openness and resist protectionism is to move rapidly to a formal negotiating process within the GATT for increased liberalization. Specifically, we will seek a statement by the Summit countries of their intention to engage in a new round of negotiations aimed at expanding trade, dealing with various forms of protection and improving the operation of the international trading system. The statement should declare their intent to begin preparations soon so as to start formal negotiations by early 1986 and to encourage participation by developed and developing countries alike.

5. Food Aid

Advance cooperation and coordination on emergency and non-emergency food aid programs to the Third World, with special emphasis on Africa. In the case of life-threatening food aid situations, seek donor country commitments on a joint set of actions to dramatically speed up responses to food crises. The prepositioning of food in selected countries and the creation of a central food shortage forecasting capability could be considered. Concerning non-emergency food aid, stress a "food for progress" initiative wherein food aid and other assistance would be used as an incentive to ease the burden of Third World countries which adopt growth and market-oriented approaches to agricultural development.

6. Other

a) Report progress on cooperation on a manned space station; secure endorsement of participation by other Summit partners.

b) Welcome agreement in IEA on common action in the event of future oil supply disruption; encourage early progress in developing new North Sea energy resources.

c) Postpone substantive comment on the results of the G-10 studies on ways to improve the functioning of the monetary system pending review by Finance Ministers at a later meeting. However, work to assure acceptance by Summit partners of concepts US is advancing in those studies.

d) Resist efforts by others (especially French) to call for negotiations on a new international monetary system, and in particular resist any effort to link, formally or otherwise, progress on trade liberalization with monetary reform.

e) Recognizing that some progress in addressing problems of environmental pollution will be important to Chancellor Kohl as host, work closely with Germans and Canadians during the year for mutually acceptable results that can be endorsed at the Summit.

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BERLIN SHERPA MEETING

February 15-17, 1985

Hans Tietmeyer, the German Sherpa and this year's chairman for Summit preparations, began the all day session of February 16 by emphasizing that the German thematic paper should be considered a first draft. He said that this paper should be shortened considerably in future revisions. Tietmeyer suggested that discussion of the paper should begin with general comments of the text as a whole as well as the chapeau on developments in the world economy, followed by a section-by-section review.

General Discussion

The French Sherpa, Jacques Attali, led off with a harsh critique of the German paper. Attali stressed that the fundamental basis of the thematic paper was flawed. He said that the economic growth experienced by Summit countries is based on elements that are themselves jeopardizing recovery. He cited the current account imbalances and exchange rate disparities as examples of "growth based on problems".

The Italians agreed with the thrust of the German paper that there had been improvements in the international economy during the past year, but that the current account imbalances and exchange rate instabilities proved that Summit country economic policies were not yet compatible. Interestingly, the Italians stressed that Europeans must resolve their own problems before "casting stones" at the United States and Japan.

Allen Wallis endorsed the German paper, saying that we would have specific comments on the particular sections of the paper; but that we wanted to lay a marker down that we felt some reference to energy should be included in the thematic paper and ultimately the Summit Declaration. He said that we would provide appropriate language. The Canadians (Sylvia Ostry) supported strongly the content of the thematic paper saying that its description of the improvements and problems of the world economy were well represented. However, she stressed that not enough attention was placed on the resolution of the inherent problems facing all of us. Robert Armstrong, the British Sherpa, emphasized that more attention was needed to clarify the points of controversy which the Heads of State needed to focus on in Bonn.

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The Japanese (Teshima) made a perfunctory comment about the need to place the plight of the developing countries in a more realistic (less optimistic) light. Hans Tietmeyer ended the general discussion with a "reminder" that the issue of the environment is important to Chancellor Kohl and that the Germans will make it "a point among many" for the Summit.

Unemployment

Attali began the discussion of unemployment with a diatribe against the United States. He stated that the acceptance of deficits is a technique being used to gain liquidity and savings. He said that this policy was a drain on the developed and developing countries alike. Attali said that this was a strategy of the United States based on low wages and high employment.

Sylvia Ostry of Canada stressed that employment cannot be considered a conscious policy but is determined by the market place. In general terms, Geoffry Littler of the UK also disputed Attali's proposition. He said that autonomous growth in the US has not been at the expense of the rest of the world. He said that the real difference between the US and EC is the wider spread between high and low wage rates in the US as compared to the EC. Littler said that it is easier to move into jobs in the US at the lower end of the wage scale while in the EC there is little flexibility to adapt to this possibility.

The United States (Beryl Sprinkel) said that the recovery in the United States is sound because it is based on proven policies of restrained government spending, market oriented adjustment and stable monetary growth. He emphasized that the effect on the world as a whole of US recovery has been positive as reflected by the US trade deficit of \$123 billion in 1984. Sprinkel stressed that the EC must create profit opportunities itself in order to "pull back" capital into Europe. Moreover, he stressed that Europe must move to basic reforms to combat rigidities (i.e. lack of labor mobility) in its domestic economic policies. He emphasized that specific changes in government policies are possible and urgently needed.

Attali emphasized that wage differentials are not the only tool for combating unemployment and that there are many other mechanisms such as job retraining, education, innovation, etc. He said that employment growth is politically motivated. In the US this can be associated with the Strategic Defense Initiative (SDI) which, in Attali's view, represented America's engine for growth and employment in the next decade. Attali

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- 3 -

emphasized strongly that Europe must find its own "vision" such as SDI to create jobs.

Both Sprinkel and McMinn emphasized that SDI is not the cause for a renewed "vision" in the US nor is it the basis for US economic performance in the next ten years. Rather the sound market oriented principles instituted by President Reagan have been and will continue to be fundamental to our success.

Imbalances in Current Accounts/Exchange Rates and Fiscal Balances

Hans Tietmeyer began this discussion by noting the danger of the growing current account deficit in the United States, i.e. that it is feeding on itself. He said that one result of the US deficit, reinforced by the large current account surplus of the Japanese, was intensified protectionist pressures. The Japanese (Teshima and Oba) stressed that it was an oversimplification to assert that the Japanese current account surplus was a reason for increased protectionism. They said that Japan's current account surplus is based on (1) the strong dollar; (2) reductions in oil prices; and (3) differentials in growth rates among developed countries. Teshima noted that the Japanese had already done quite a lot on the import side and were prepared to do more. This Japanese statement provoked most of the other delegations to respond strongly that Japan's import performance was simply not acceptable; with the French, Germans, EC and United States all indicating that this question needed to be addressed by Heads of State at Bonn.

The French (Attali) then did an "about face" on the role of government in domestic economies. Attali said that France could not accept the concept outlined in the German paper that there is a need to "scale back the role of government in the economy where this has become excessive." This statement, whether based on Attali's personal views or those of the French government, represents a direct reversal of the "Reaganomics" position announced by Attali at the February 1984 Sherpa meeting.

Concerning how to handle the G-10 monetary studies the Japanese recalled that these studies have not yet been completed and conclusions are not expected before the Summit. In fact, it has been agreed that the G-10 Ministers would approve the studies in late June in Tokyo. Sprinkel reinforced this view by saying that it would be premature to discuss the G-10 studies at the Summit. Substantive Summit discussion could undercut the work of the G-10 Ministers scheduled for

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June. The French and EC disagreed and argued for a substantive progress report which Heads of State could use as a point of reference in their Summit discussions.

It became clear during this discussion that exchange rates are, and will be at Bonn, a major European concern. All the Europeans are convinced that the problem is with the dollar, and that it is up to the US to do something about it (including much more intervention). Sprinkel cited numbers showing that, relative to European currencies, the yen and Canadian dollar appreciation since December 1980 has been enormous and therefore the problem was European, not US, and that the Europeans would be better advised to look for the solutions in their own economies and policies. He stressed in particular the relationship between Europe's comparative lack of ability to adjust to change (and respond effectively to the large opportunities which the US current account deficit is creating for their economies), and deterioration in European exchange rates vis-a-vis the dollar (and yen). Despite its cogency, it was clear that this is an argument which the Europeans don't want to deal with.

Developing Countries

Discussion of the LDCs centered heavily on the problems of Africa. However, support for the Williamsburg five-point debt strategy, as amended at London, was reinforced. The United States made clear that it could not accept a general increase in the World Bank's capital fund. We also succeeded in deleting my reference in the German paper to excessive population growth and the Mexican International Population Conference.

Concerning Africa, the US emphasized the critical need to concentrate aid resources to foster market-based changes in indigenous economic policies, especially those involving agricultural development. We outlined the President's recent "Food for Progress" initiative for Summit country consideration.

The US suggested that an appropriate technical level group might be formed to examine problems in assessing food needs in Africa and methods to address existing donor country programming problems. This suggestion was met by substantial interest and support. It was agreed that this issue should be reviewed at the next Sherpa meeting and that delegations would be prepared to submit more specific comments and proposals as to concerted action in this area.

Trade

The discussion on a new round of trade negotiations was not encouraging. The EC (Luyten) pressed the need to be cautious and to build a consensus on the agenda for negotiations before moving to a commitment to launch. The Community also questioned how we could move forward absent fulfilling previous commitments concerning rollback of protectionist measures made at Williamsburg and in the OECD. Attali was categorical in saying that France was against fixing a date for new negotiations at Bonn. He revived and deepened the linkage between progress on the trade side and progress on the monetary side (the establishment of an international monetary conference). Attali said that the French could not accept "subsidies", either industrial or agricultural, as a part of new trade negotiations.

For our part, we stressed the importance of moving forward now to a commitment to launch new negotiations early in 1986. We emphasized that there is no luxury of time. Trade liberalization is key to sustaining economic recovery worldwide. We argued that it is critical to move forward now in order to help withstand the growing pressures for protectionism in the United States and other countries. Without a commitment to launching new multilateral negotiations, the US may be forced to pursue its interests bilaterally and regionally.

West Germany, Canada and Japan all supported the launching of a new round, but the Japanese were overly cautious, particularly with respect to LDC participation. Typically, the British "straddled the fence"; they were distinctly unhelpful.

We were successful in deleting the objectionable language in the German thematic paper on the benefits of trade to normalized East-West relations.

Environment

Tietmeyer stressed the great importance which Chancellor Kohl attached to as positive a discussion and outcome as possible on the need to improve protection of the environment. Virtually everyone agreed, however, that the thematic paper's conclusions were too long, or in certain respects went beyond what Environment Ministers had agreed to in their London meeting last December, or both. Though there might have developed a quick and acceptable consensus around the suggestion (which Tietmeyer made and Wallis supported) that the

Summit simply endorse the conclusions reached by the Environment Ministers, Attali objected that France (as usual) could not agree given that no French Minister had attended that Conference. (France had boycotted it on the spurious grounds that it does not want to "institutionalize" the Summit Seven grouping with follow-up meetings. However, this did not prevent Attali later from urging all of us to send representatives to the French conference -- for Summit Seven countries -- on bio-ethics in April.) It was finally agreed that "experts" would submit a revised draft of environment "conclusions", limited to a few paragraphs, to be circulated to all of us a week before our meeting in March.

Space Station

The United States noted the ESA decision on participation in the US manned space station program and expressed the hope that both Canada and Japan also would be in a position soon to follow suit. We suggested that the President would want to make a brief report on the program at Bonn, which would be taken into account in the Summit Declaration. We indicated to the Germans that we would be providing them suggested language in the near future.

This seemed acceptable to all but Attali, who insisted that equal attention and importance should be given to the possibility that the Europeans might decide to build and launch their own space station (he got no support for this).

Logistics

The Germans passed out the attached latest schedule of events for the Summit.

The Co-ordinator
for the Bonn Economic Summit

Bonn, 8 February 1985

Projected order of events for the Economic Summit in Bonn
(2 to 4 May 1985)

Thursday, 2 May 1985

14.00 to 16.30 hrs	Arrival of delegations at Cologne Bonn airport at 20-minute intervals in reverse order of protocol
14.10 to 16.40 hrs	Transfer to Bonn by helicopter
On arrival in Bonn	Proceed to Palais Schaumburg
14.30 to 17.00 hrs	Welcome with military honours by the Federal Chancellor
Following official welcome	Introductory talks between the Federal Chancellor and each delegation in Palais Schaumburg
14.50 to 17.20 hrs	Delegations proceed to residences hotel
18.30 hrs	Reception given by the Federal Chancellor at Schloss Augustusburg

20.15 hrs

Separate dinners, given by

- the Federal Chancellor for the Heads of State and Government at Schloss Falkenlust (first floor)
- the Federal Minister for Foreign Affairs for the Foreign Ministers at Schloss Falkenlust
- the Federal Minister of Finance for the Finance Ministers in the historical Small Cabinet Room, Palais Schaumburg
- the German Personal Representative for his colleagues in Schloss Falkenlust (Ground Floor)

Friday, 3 May 1985

9.⁰⁰~~45~~ to 12.15 hrs

Working sessions for

- the Heads of State and Government in the historical Cabinet Room, Palais Schaumburg
- the Foreign Ministers in the small Cabinet Room of the Federal Chancellery
- the Finance Ministers in the Cabinet Room of the Federal Chancellery

13.00 hrs

Working luncheon for

- the Heads of State and Government and the Foreign Ministers in the historical Small Cabinet Room, Palais Schaumburg

- the Finance Ministers in the Federal Chancellery
- the Personal Representatives in the Hallstein Rooms, Palais Schaumburg

14.30 to 18.00 hrs Plenary session in the Federal Chancellery, NATO room

20.00 hrs Separate dinners given by

- the Federal Chancellor for the Heads of State and Government in Palais Schaumburg (Hallstein rooms)
- the Federal Minister for Foreign Affairs for the Foreign Ministers in the historical Small Cabinet Room, Palais Schaumburg
- the Federal Minister of Finance for the Finance Ministers in the Redoute
- the German Personal Representative for his colleagues at the Federal Chancellery, Schmidt-Rotluff room

Saturday, 4 May 1985

9.30 to 12.30 hrs Continuation of the plenary session in the Federal Chancellery, NATO room

13.00 hrs Plenary luncheon in the "large dining room" of the Federal Chancellery (first floor)

15.45 hrs

Promulgation of the joint final communiqué in the Debating Chamber (Plenarsaal) of the German Bundestag

20.00 hrs

Dinner given by the Federal President in honour of the Heads of State and Government, Foreign Ministers and Finance Ministers at Villa Hammerschmidt

~~CONFIDENTIAL~~

Buchanan

1947
add-on

THE WHITE HOUSE
WASHINGTON

DECLASSIFIED
Sec. 34(b), E.O. 12958, as amended
White House Guidelines, Sept. 11, 2008
BY NARA *dr*, DATE 1/3/2020

March 30, 1985

C.F.

273248

F0006-08

TR123-01

CONFIDENTIAL

MEMORANDUM FOR SUMMIT WHITE HOUSE GROUP MEMBERS

SUBJECT: Summit White House Group Meeting to Discuss Preparations for the Bonn Economic Summit-- Tuesday, April 2, 1985, at 3:00 p.m., in the Roosevelt Room (U)

The Summit White House Group, established by NSDD-152, will meet on Tuesday, April 2, to review preparations for the Bonn Economic Summit. Mike Deaver and I have scheduled this meeting to:

- o Discuss initial preparations on the political aspects of the Summit; and
- o Review the status of preparations of the economic agenda for Bonn, including a report on the results of the March 23-25 international Sherpa meeting. *(U)*

In preparation for Tuesday's session, you have received previously the U.S. economic objectives paper for Bonn, and a report of the February international Sherpa session. *(U)*

Robert C. McFarlane
Robert C. McFarlane
Co-Chairman, Summit
White House Group

Attachments
TAB A Agenda and list of participants

CONFIDENTIAL
Declassify on: OADR

~~CONFIDENTIAL~~

A

~~CONFIDENTIAL~~

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DECLASSIFIED
Sec.3.4(b), E.O. 12958, as amended
White House Guidelines, Sept. 11, 2008
BY NARA *ds*, DATE 1/3/2020

SUMMIT WHITE HOUSE GROUP MEETING

Tuesday, April 2, 1985

AGENDA

- | | |
|--|--------------------------|
| I. Report on the Status of Preparations on the Political Aspects of the Summit | Assistant Secretary Burt |
| II. Review Status of Preparations for Economic Agenda, Including a Report on the Results of the March 23-25 International Sherpa Meeting | |
| A. Overview | Under Secretary Wallis |
| B. Macroeconomic Policy and Structural Adjustment | Under Secretary Sprinkel |
| C. Debt and Finance | Under Secretary Sprinkel |
| D. Africa | Mr. McMinn |
| E. Trade | Mr. McMinn |
| F. Environment | Under Secretary Wallis |
| G. Space Station Program | Under Secretary Wallis |
| H. Energy | Under Secretary Wallis |

~~CONFIDENTIAL~~
Declassify on: OADR

~~CONFIDENTIAL~~

SUMMIT WHITE HOUSE GROUP MEETING

Tuesday, April 2, 1985

LIST OF PARTICIPANTS

Donald T. Regan, Chief of Staff and Assistant to the President

Michael K. Deaver, Deputy Chief of Staff and Assistant to the President

Robert C. McFarlane, Assistant to the President for National Security Affairs

Patrick J. Buchanan, Assistant to the President and Director of Communications

Craig L. Fuller, Assistant to the President

Larry M. Speakes, Assistant to the President and Principal Deputy Press Secretary

John A. Svahn, Assistant to the President for Policy Development

Richard G. Darman, Deputy Secretary of Treasury

Michael B. Smith, Deputy United States Trade Representative

W. Allen Wallis, Under Secretary of State for Economic Affairs

Beryl W. Sprinkel, Under Secretary of Treasury for Monetary Affairs

David L. Chew, Deputy Assistant to the President and Staff Secretary

William Henkel, Deputy Assistant to the President and Director of Presidential Advance

Donald R. Fortier, Deputy Assistant to the President for National Security Affairs

Robert M. Kimmitt, Deputy Assistant to the President for National Security Affairs and Executive Secretary, National Security Council

Alfred H. Kingon, Deputy Assistant to the President and Cabinet Secretary

Karna Small, Deputy Assistant to the President and Senior Director, Public Affairs, National Security Council

Richard Burt, Assistant Secretary of State for European and Canadian Affairs

James Rentschler, U.S. Ambassador to Malta

M. Marlin Fitzwater, Special Assistant to the President and
Deputy Press Secretary for Foreign Affairs

William F. Martin, Special Assistant to the President for
National Security Affairs and Senior Director for
Coordination

Robert B. Sims, Special Assistant to the President and Deputy
Press Secretary for Foreign Affairs

Roger W. Robinson, Senior Director for International Economic
Affairs, National Security Council

Douglas W. McMinn, Director for International Economic
Affairs, National Security Council

Robert J. Morris, Deputy to the Under Secretary of State for
Economic Affairs

James L. Hooley, Deputy Director for Presidential Advance

WITHDRAWAL SHEET

Ronald Reagan Library

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WHITE HOUSE OFFICE OF RECORDS MANAGEMENT
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FOIA

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<i>ID</i>	<i>Document Type</i>	<i>No of pages</i>	<i>Doc Date</i>	<i>Restrictions</i>
<i>Document Description</i>				
244230	CABLE	1	4/27/1985	B1
LOND 0001 MARGARET THATCHER TO RONALD REAGAN, ANNOTATED				

The above documents were not referred for declassification review at time of processing
Freedom of Information Act - [5 U.S.C. 552(b)]

- B-1 National security classified information [(b)(1) of the FOIA]
- B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- B-3 Release would violate a Federal statute [(b)(3) of the FOIA]
- B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

**National Security Council
The White House**

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P 1: 17

	SEQUENCE TO	HAS SEEN	DISPOSITION
Bob Pearson			
Bob Kimmitt	<u>1</u>	<u>K</u>	
John Poindexter	<u>3</u>		
Paul Thompson			
Wilma Hall	<u>4</u>		
Bud McFarlane	<u>5</u>		<u>I</u>
Bob Kimmitt	<u>6</u>		
NSC Secretariat	<u>2</u>		<u>Staff Sys I</u>
Situation Room			<u>ASAP to</u>
			<u>Summer</u> <u>reply due 4/29</u>

I = Information A = Action R = Retain D = Dispatch N = No further Action

cc: VP Meese Regan Deaver Other _____

COMMENTS Should be seen by: _____
(Date/Time)

THE WHITE HOUSE
WASHINGTON

4/27/85

Bud:

See the President's note.

I have asked Peter Sommer to
prepare a note for you to send
explaining the situation logistically
and precedentially.

Bob

RECEIVED 27 APR 85 13

TO PRESIDENT

FROM THATCHER, MARGARET

DOCDATE 27 APR 85

URGENT

URGENT

KEYWORDS: GREAT BRITAIN

BONN SUMMIT

Cable msg

SUBJECT: ~~LTR~~ TO PRES FM PM THATCHER RE BONN SUMMIT

ACTION: APPROPRIATE ACTION

DUE: 27 APR 85 STATUS S FILES WH

FOR ACTION

FOR CONCURRENCE

FOR INFO

SOMMER

MCMINN

ROBINSON

FORTIER

MARTIN

COBB

MATLOCK

SIGUR

RAYMOND

PEARSON

KIMMITT

RENTSCHLER

COMMENTS TO NSC/S This was subsequently handled directly by Mike Deaver. Meeting is set for May 2. No further action required.

REF# LOB 8408422 *Peter Summer* NSCIFID (DR)

ACTION OFFICER (S) ASSIGNED ACTION REQUIRED DUE COPIES TO

C 4/29 No Further Action Required

DISPATCH

W/ATTCH FILE

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THE WHITE HOUSE
WASHINGTON

July 12, 1985 WVS

MEMORANDUM FOR THE HONORABLE GEORGE P. SHULTZ
The Secretary of State

SUBJECT: Ambassador James M. Rentschler's
Assignment as Presidential Public Diplomacy
Coordinator

The President has asked me to convey his appreciation for the TDY services of Ambassador James M. Rentschler, detailed from his overseas Mission for the third successive year as Public Diplomacy Coordinator in support of the President's April 30-May 10 visit to Bonn, Madrid, Strasbourg, and Lisbon.

Handwritten signature

The Presidential letter, a copy of which is attached, speaks for itself. In addition, I see four areas of his performance which merit special praise:

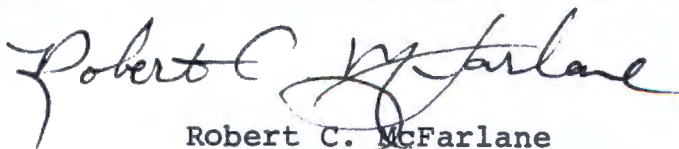
---Undeterred by the controversy resulting from the decision to include Bitburg Cemetery in the President's program, Jim and his inter-agency team developed a comprehensive thematic approach which addressed the totality of the trip and shaped the thrust of our public statements at every point on the itinerary. The core message -- "Freedom Works" -- contained, as it was designed to do, built-in resonance from which major news organizations keyed significant parts of their coverage. A front-page wrap-up in the Washington Post following the President's departure from Lisbon used the "Freedom Works" phrase in its headline.

---Jim brought a strategic "out-of-theatre" dimension to the details of public diplomacy management, best exemplified in his "Marshalling Miscellaneous News Pegs" guidance paper. This item helped the White House Press Office meld such diverse events as a bilateral U.S.-Japanese Civil Air agreement, Ambassador Nitze's briefings on the first round of renewed U.S.-Soviet arms control talks, the budget debate in Congress, and the First Lady's program in Rome and the Vatican into a larger mosaic of trip-related Presidential leadership perceptions.

---The substantive centerpiece of the President's European trip, his VE-Day speech before the European Parliament in Strasbourg, set forth a framework for improved U.S.-Soviet relations which may well guide our efforts to reduce East-West tensions into the 21st Century. Jim's recognition of the central importance, which this address played in the President's foreign policy objectives and the measures which he and his team deployed in order to secure widest possible dissemination testify to his talent for focusing on the main event while keeping a lot of other balls in the air. He oversaw pre- and post-delivery backgrounders, translation requirements, and demarches in selected capitals, and also contributed language to the speech itself.

---Most impressively, Jim drew on his experience in two previous Summits to improve and consolidate the essential linkages between our public diplomacy effort and the substantive experts. This function reached full orchestration within the travelling White House Press Office, as evidenced by the flawless production of updated talking points for your use in connection with trade liberalization issues, unclassified background material explaining the President's proposals on confidence-building measures, and a complete public "paper trail" on the origins of the National Endowment for Democracy. In this connection Jim and his 8-person team managed a force of over 100 individuals on both sides of the Atlantic and at locations along the President's European route.

If it is true, as I believe it is, that our foreign policy priorities are meaningful only if they are understood by our own citizens as well as the rest of the world, there must be a Jim Rentschler at every critical juncture in that process. Accordingly, I appreciate, as does the President, your willingness to make Jim's services available to the White House for the sensitive assignment he has just completed. Because he has pioneered the entire thrust of Public Diplomacy within our government, I hope it will be possible for you to make this evaluation of his TDY a permanent part of his personnel file.


Robert C. McFarlane

cc: The Honorable Charles Z. Wick
Director, United States Information Agency

THE WHITE HOUSE

WASHINGTON

May 20, 1985

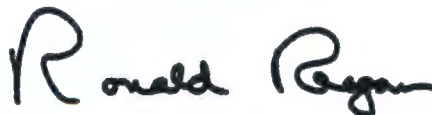
Dear Jim:

It gives me great pleasure to express appreciation for the superb job you did in support of my trip to Bonn, Madrid, Strasbourg, and Lisbon earlier this month. A seasoned veteran of Economic Summit activity, you were again willing to take on the complex task of serving as my Personal Representative for Public Diplomacy; that you did so in a climate clouded by major controversy is a further tribute to the high standards of professionalism you routinely bring to such assignments. That same professionalism helped transform the trip into what I am confident history will view as an important plus for our transatlantic ties.

I am especially grateful for the broad-canvas quality with which you invested the Public Diplomacy effort; in developing a thematic concept that addressed the trip as a totality, you tangibly and vitally contributed to my principal overseas objective: communicating loud and clear America's message that "Freedom Works."

The record which you have now compiled during three Summits and their attendant itineraries has, in a very real sense, pioneered the entire thrust of Public Diplomacy inside our government. Your drive, your managerial skills, and above all, your imagination have proved to be invaluable assets for our country, establishing a benchmark difficult to surpass in the future. You have my warmest thanks.

Sincerely,



The Honorable James M. Rentschler
Ambassador
Valletta

NATIONAL SECURITY COUNCIL

May 17, 1985

UNCLASSIFIEDACTION

MEMORANDUM FOR ROBERT C. McFARLANE

SIGNEDFROM: JAMES M. RENTSCHLER *Jm*

SUBJECT: Self-Promotion

Looking back on Bitburg, the bashed heads in Madrid, and the broken teleprompter in Strasbourg.....

Well, anyway, its over, and I really do think history will judge the President's European trip far more favorably than some of the contemporary media. In the meantime, members of my public diplomacy SWAT team took turns writing each other's TDY evaluations; I asked the one with the strongest stomach to do mine, which you will find at Tab A. Since the green-eyeshade types in Personnel (both State and USIA) require some accounting of my time during these past couple of months, I would be grateful if you could grit your teeth and sign the thing.

Many thanks.

RECOMMENDATION

That you sign the memo to Shultz and ~~Wick~~ at Tab A

Approve ✓ Disapprove

---The substantive centerpiece of the President's European trip, his VE-Day speech before the European Parliament in Strasbourg, set forth a framework for improved U.S.-Soviet relations which may well guide our efforts to reduce East-West tensions into the 21st Century. Jim's recognition of the central importance, which this address played in the President's foreign policy objectives and the measures which he and his team deployed in order to secure widest possible dissemination testify to his talent for focusing on the main event while keeping a lot of other balls in the air. He oversaw pre- and post-delivery backgrounders, translation requirements, and demarches in selected capitals, and also contributed language to the speech itself.

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cc: The Honorable Charles Z. Wick
Director, United States Information Agency

Robert C. Farlane



National Security Council
The White House

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Bob Kimmitt <i>Bierman</i>	6		
NSC Secretariat	7		
Situation Room			

I = Information A = Action R = Retain D = Dispatch N = No further Action

cc: VP Meese Baker Deaver Other

COMMENTS Should be seen by: _____ (Date/Time)

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NSC/S PROFILE

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ID 8503976

RECEIVED 21 MAY 85 08

TO MCFARLANE

FROM RENTSCHLER

DOCDATE 17 MAY 85

KEYWORDS: PUBLIC DIPLOMACY

BONN SUMMIT

ADMINISTRATIVE

SUBJECT: EVALUATION OF RENTSCHLER ASSIGNMENT AS PRES PUBLIC DIPLOMACY

COORDINATOR

ACTION: FOR SIGNATURE

DUE: 23 MAY 85 STATUS X FILES WH

FOR ACTION

FOR CONCURRENCE

FOR INFO

MCFARLANE

COMMENTS

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c 7/22 MCFarlane sgd

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U.S. National Archives & Records Administration

Current Status Details for CTRH RECID: 284247PD MAIN SUBCODE: FO006

Current Status	Open
User Name	dbarrie
Status Date	2019-08-14
Case Number	F16-011
Notes	2 p. Transferred to FO006-08

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No.	Status	Date	User	Case Number	Notes
1	Open	2019-08-14	dbarrie	F16-011	2 p. Transferred to FO006-08

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MEMORANDUM

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THE WHITE HOUSE

WASHINGTON

January 16, 1985

DECLASSIFIED
See OADR, EO 13526, as amended
White House, OADR, Sept 11, 2008
BY NARA *dl*, DATE 8/14/2019

CONFIDENTIAL

MEMORANDUM FOR JOHN A. SVAHN

FROM: ROBERT C. MCFARLANE *Bud*
SUBJECT: Preparations for the Bonn Economic Summit--
NSDD-152 (e)

The Presidential Directive (NSDD-152) clarifying the responsibilities of various agencies in preparing for the 1985 Bonn Economic Summit sets forth the same basic structure used successfully in preparations for previous summits, including Williamsburg and London. The intent of this Directive in establishing an interagency group (IG), as well as a Summit White House Group, is to ensure that all relevant government agencies and White House offices and staff participate fully in the policy process leading to the Bonn Summit. (e)

The U.S. Sherpa team is limited to three members by virtue of the international Summit preparatory process. As a "visiting team" in 1985, the United States can only have three individuals participate in the international meetings which the West Germans, as this year's hosts, will convene. The President has again designated Allen Wallis to be his Personal Representative for preparation of the policy aspects of the Bonn Summit. The President has also named Beryl Sprinkel and Douglas McMinn to the Sherpa team to work with Allen to direct the 1985 Summit preparations. (U)

There is no question that the economic issues that will be addressed in the Summit context have domestic implications. That is one reason why both an interagency and White House policy process have been established. As with last year, we will look to OPD to play a key role in helping to develop policy options. (U)

On the question of OPD participation on the IG that has been established on U.S.-Japan trade issues, I understand that you now have a representative to this body. (U)

~~CONFIDENTIAL~~

Declassify by: OADR

~~CONFIDENTIAL~~

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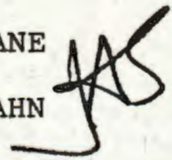
THE WHITE HOUSE
WASHINGTON

F0006
FG006-12
FG006-07

January 7, 1985

MEMORANDUM FOR BUD McFARLANE

FROM: JOHN A. SVAHN



SUBJECT: NSDD 152

WVS

Ed Meese showed me his copy of NSDD 152 regarding preparations for the 1985 Economic Summit in Bonn. The document raises several concerns in my mind and I thought it appropriate to share them with you.

This NSDD follows closely on the one issued prior to the Nakasone visit and is similar in content. I'm the last guy in the building who wants to get in a turf fight, but I am concerned about the domestic side's lack of input and opportunity to participate in the development of policy options. I certainly agree that bilateral and summit meetings clearly fall within the NSC domain as they may have significant foreign policy and national security impact. They also, however, have significant domestic implications, both economic and political.

This is going to be a year of economic uncertainty and I'm quite sure our trade deficit is going to receive close scrutiny by the public and by the Congress. Questions regarding interest rates, unemployment, jobs shifting offshore, foreign investment, and U.S. agriculture are just a few of the areas we will be dealing with this year.

Given the fact that we have no less than five Cabinet level groups involved in trade matters, I have no problem with NSC taking the lead responsibility for coordinating our efforts in approaching international events. I do, however, want to make certain that I am fully involved in the preparations so that I may be in the best position possible to advise the President on domestic implications.

To accomplish this, it is important that appropriate members of my staff be involved in the day to day activity associated with trade and international economic relations. I would, therefore, request that we add Roger Porter to the Sherpa team under Allen Wallis and Mike Driggs to the IG which is setting up our sectoral approach for Japanese trade.

I think the participation of these two individuals is important. Please let me know what you think.

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PR014-08

QUESTIONS

ECONOMIC SUMMIT - PRINT INTERVIEW

1. How does the Reagan Administration plan to maintain its economic momentum and upswing, and how can other countries stay apace of the fast-moving American locomotive if they at the same time increase their imports of American products?
2. Secretary Baker said at the OECD meeting in Paris that America might be willing to join in and possibly host a new monetary conference. Can you explain in greater detail?
3. How do you expect free trade to flourish in an atmosphere of trade conflict such as that between the United States and Japan or the United States and Europe?
4. What are you prepared to give to get a new trade round? Should a new round begin, what would happen to the ongoing bilateral trade negotiations you have undertaken with Canada and other countries on the grounds that you could not wait for resolution of these bilateral issues?
5. Should there be a meeting in the near future between yourself and Soviet leader Mikhail Gorbachev, what proposals would you make to him and why?
6. The Strategic Defense Initiative, as outlined by you, has undermined the whole defensive philosophy of your Western Allies and triggered major fears that they may be made more vulnerable in the end to superior Soviet conventional forces? What guarantees can you give on this score to the Europeans that their security will not be lessened by SDI or that it will not actually speed up, rather than diminish the arms race.
7. Do you expect the current round of arms control talks to ease your fears or will NATO require further strengthening?
8. Italy soon will be holding a new series of elections which could bring a new resurgence of influence by the Italian Communist Party. What does the United States expect or want from these coming elections?
9. Your budget deficits and high interest rates are viewed as a major destabilizing feature on the world economic scene, pushing the dollar to unrealistically high levels and siphoning away capital to America that foreign countries badly need at home. What actions do you intend to take to ease this situation?

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Note

Note
10. What steps is the United States going to make to alleviate the world debt situation and, in general, to help the economies of Third World nations and thus close the North-South gap?

Note
11. How do you explain the fact that after so long a time you still have not convinced the people and governments of many other nominally friendly countries that your concerns and actions in Central America are correct and worthy of support?

12. Not too long ago you said that world economic ills were not the fault of U.S. policies but of the economic weaknesses and structural rigidities of your European and other trading partners. Do you still believe that to be the case and if so, what do you recommend that other nations should do about it?

Copyland
Note
13. Since you are about to set off on a State visit to West Germany as well as the Economic Summit in Bonn, what message do you have, on virtually the eve of your departure for the German people?

14. Does your Administration foresee a stronger or weaker role in the future for international financial institutions such as the World Bank and International Monetary Fund? Will the U.S. increase monetary contribution to such organizations, or accept the creation of a new organization to deal with exchange rates?

15. Do you favor attempts to create more political unity and a common European currency and other such things that would further economic and political unification there?

16. Why did you decide to go to Bitburg and are you still planning to go?