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The President has seen

5/27
3856

THE WHITE HOUSE

WASHINGTON

May 22, 1987

BRIEFING FOR VENICE ECONOMIC SUMMIT:
ECONOMIC GROWTH AND COOPERATION

DATE: May 26, 1987

LOCATION: The Cabinet Room

TIME: 2:00 P.M. - 3:00 P.M.

FROM: HOWARD H. BAKER
FRANK C. CARLUCCI

Handwritten: for HHB

47444955
F0006-12

I. PURPOSE

To discuss prospects for using the Venice Summit to achieve faster and more balanced economic growth through greater cooperation among Summit countries.

II. BACKGROUND

At Tokyo last year, a process of strengthened economic coordination was initiated and Finance Ministers were asked to report on progress at the Venice Summit. Since Tokyo, however, the dollar has declined substantially against the yen and the deutsche mark, current account imbalances have persisted, and growth rates among the Summit Seven have proven lower than expected.

Over the past several months, the G-7 countries have engaged in coordinated intervention in an effort to curb large changes in exchange rates. Also, Japan and West Germany have committed to implement fiscal stimulation measures. Japan plans a 5 trillion yen spending package and Germany plans a 14 billion mark tax cut in 1988. Both countries, however, persist in the view that U.S. fiscal restraint is needed.

To help promote growth over the longer term, the OECD has recently completed a report on structural adjustment. That report identifies changes needed to remove rigidities in labor, agricultural, capital, and other markets.

III. PARTICIPANTS

The President
The Vice President
Secretary George P. Shultz
Secretary James A. Baker
Howard H. Baker
Frank C. Carlucci
Kenneth Duberstein
Thomas Griscom
W. Allen Wallis, Under Secretary of State
David C. Mulford, Assistant Secretary of Treasury
Beryl W. Sprinkel

cc Vice President
Chief of Staff (2)

Stephen I. Danzansky, NSC Staff
Stephen P. Farrar, NSC Staff
Daniel Crippen, WH Staff
Michael L. Mussa, Member, CEA

IV. PRESS PLAN

White House photographer only.

V. SEQUENCE OF EVENTS

Frank Carlucci and Allen Wallis will briefly introduce the subject. Beryl Sprinkel will then provide an analysis of the international economy. Jim Baker will then provide his assessment of prospects at Venice. A discussion period will follow.

Attachment

Tab 1	Agenda
2	Talking Points

BRIEFING FOR VENICE ECONOMIC SUMMIT:
ECONOMIC GROWTH AND COOPERATION

Tuesday, May 26, 1987
The Cabinet Room
2:00 P.M. - 3:00 P.M.

AGENDA


- | | |
|---|----------------------------------|
| I. Opening Remarks | The President
(2 minutes) |
| II. Introduction | Frank Carlucci
(2 minutes) |
| III. Overview | Allen Wallis
(3 minutes) |
| IV. Analysis of the International
Economic Environment | Beryl Sprinkel
(20 minutes) |
| V. Prospects for the Venice
Summit | James Baker
(15 minutes) |
| VI. Discussion | All Participants
(15 minutes) |
| VII. Summary | Frank Carlucci
(3 minutes) |

TALKING POINTS
BRIEFING FOR VENICE ECONOMIC SUMMIT:
ECONOMIC GROWTH AND COOPERATION

- Thank you for coming today. I am glad we have set aside a full hour to talk about our macroeconomic objectives at the Venice Summit.

 - The Summit comes at a time of strain on many economic fronts, making it critical that heads of state reach common understandings on how best to solve our problems.

 - George tells me we'll need to exercise some leadership on these issues in Venice.

 - I look forward to hearing the advice of all of you on how I can best advance the cause of international economic growth and stability at Venice.
- 

THE WHITE HOUSE

WASHINGTON

MAY 22 1987

May 22, 1987

ACTIONMEMORANDUM FOR HOWARD H. BAKER
FRANK C. CARLUCCIFROM: THOMAS C. GRISCOM
COLIN L. POWELLSUBJECT: Presidential Briefing on Economic Growth and
Cooperation, Tuesday, May 26, 1987, 2:00 -
3:00 P.M., Cabinet Room

In preparation for the Venice Summit, a full hour of briefing has been set aside for potentially the most critical economic issues that will arise: how to promote faster growth and greater cooperation. The President must decide what assurances to seek from other Summit partners. He must also be prepared for pressure for more fiscal restraint in the United States.

After introductions by Frank Carlucci and Allen Wallis, the briefing will begin with an analysis by Beryl Sprinkel. Jim Baker will then provide his assessment of Summit prospects. George Shultz and others will offer their perspectives during the discussion period.

RECOMMENDATION

That you sign the memorandum to the President attached at Tab A.

Approve KanDforHHB

Disapprove _____

Attachments

Tab A Memorandum to the President
Tab 1 Agenda
2 Talking Points

cc: Dan Crippen

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

May 21, 1987

ACTION

Not Sec Advisor
has seen

MEMORANDUM FOR FRANK C. CARLUCCI

FROM: STEPHEN I. DANZANSKY

SUBJECT: Your Talking Points for the Briefing for the
Venice Economic Summit, Tuesday, May 26, 1987,
2:00 - 3:00 P.M., The Cabinet Room

The agenda for the briefing (attached at Tab I) calls for you to introduce the subject. Talking points for that purpose are at Tab II. Note that the agenda also calls on you to summarize the discussion at the end of the hour.

RECOMMENDATION

That you use the attached talking points to introduce next Tuesday's discussion with the President on macroeconomic policy issues at Venice.

Approve _____

Disapprove _____

Attachments

Tab I Agenda
 II Talking Points

Prepared by: *SPF*
Stephen P. Farrar

BRIEFING FOR VENICE ECONOMIC SUMMIT:
ECONOMIC GROWTH AND COOPERATION

Tuesday, May 26, 1987
The Cabinet Room
2:00 P.M. - 3:00 P.M.

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(2 minutes) |
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(2 minutes) |
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(3 minutes) |
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(20 minutes) |
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Summit | James Baker
(15 minutes) |
| VI. Discussion | All Participants
(15 minutes) |
| VII. Summary | Frank Carlucci
(3 minutes) |

TALKING POINTS FOR FRANK CARLUCCI
BRIEFING FOR VENICE ECONOMIC SUMMIT:
ECONOMIC GROWTH AND COOPERATION

Tuesday, May 26, 1987
2:00 - 3:00 P.M., The Cabinet Room

- Mr. President, I certainly agree with your assessment that macroeconomic issues will be critical at the Venice Summit.

- As we discussed at the NSC meeting last Thursday, there is a growing public expectation that the seven summit leaders, each for their own political reasons, will be collectively unable to act decisively at Venice.

- Yet, as I think you will hear this afternoon, the economic problems of today cry out for cooperative action to solve them.

- I will now ask Allen Wallis to set the stage for the discussion.

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

ACTION

May 20, 1987

MEMORANDUM FOR THOMAS C. GRISCOM
COLIN L. POWELL

FROM: STEPHEN I. DANZANSKY

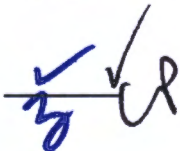
SUBJECT: Presidential Briefing on Economic Growth and
Cooperation, Tuesday, May 26, 1987, 2:00 - 3:00
P.M., Cabinet Room

The attached memorandum transmits information to the President on the content and structure of next Tuesday's Venice Summit briefing on economic growth and cooperation.

RECOMMENDATION

That you sign the attached memorandum to Howard Baker and Frank Carlucci.

Approve



Disapprove _____

Attachments

Tab I Memo to Baker and Carlucci
Tab A Memo to the President
Tab 1 Agenda
2 Talking Points

Prepared by: 
Stephen P. Farrar

THE WHITE HOUSE

WASHINGTON

MEETING ON ECONOMIC GROWTH AND COOPERATION

DATE: May 21, 1987

LOCATION: The Roosevelt Room

TIME: 2:00 P.M. - 3:00 P.M.

FROM: HOWARD H. BAKER
FRANK C. CARLUCCI**I. PURPOSE**

To discuss prospects for achieving faster and more balanced economic growth through greater cooperation among Summit countries.

II. BACKGROUND

At Tokyo last year, a process of strengthened economic coordination was initiated and Finance Ministers were asked to report on progress at the Venice Summit. Since Tokyo, however, the dollar has declined substantially against the yen and the deutsche mark, current account imbalances have persisted, and growth rates among the Summit Seven have proven lower than expected.

Over the past several months, the G-7 countries have engaged in coordinated intervention in an effort to curb large changes in exchange rates. Also, Japan and West Germany have committed to implement fiscal stimulation measures. Japan plans a 5 trillion yen spending package and Germany plans a 14 billion mark tax cut in 1988. Both countries, however, persist in the view that U.S. fiscal restraint is needed.

To help promote growth over the longer term, the OECD has recently completed a report on structural adjustment. That report identifies changes needed to remove rigidities in labor, agricultural, capital, and other markets.

III. PARTICIPANTS

The President
The Vice President
Secretary George P. Shultz
Secretary James A. Baker
Beryl W. Sprinkel
Howard H. Baker
Frank C. Carlucci
W. Allen Wallis, Under Secretary of State
David C. Mulford, Assistant Secretary of Treasury
Stephen I. Danzansky, NSC Staff
Stephen P. Farrar, NSC Staff

THE WHITE HOUSE
WASHINGTON

19 May

Grans,

Redo TO FIX

DATE.



5/22

Redo has been done
Please add this to
file.

Thanks

National Security Council
The White House

DM



87 MAY 19 P 2: 52

System # _____
Package # 3836
DOCLOG DM A/O _____

	SEQUENCE TO	HAS SEEN	DISPOSITION
Bob Pearson	<u>1</u>	<u>P</u>	<u>A</u>
Marybel Batjer			
Grant Green	<u>2</u>	<u>✓</u>	<u>copy</u>
Colin Powell	<u>3</u>		
Paul Thompson	<u>4</u>		
Frank Carlucci	<u>5</u>		<u>A</u>
Grant Green			
NSC Secretariat			
NSC Secretariat			
Situation Room			

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

cc: VP Baker Other _____

COMMENTS

Should be seen by: _____

(Date/Time)

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20508ACTION

May 19, 1987

MEMORANDUM FOR THOMAS C. GRISCOM
COLIN L. POWELL

FROM: STEPHEN I. DANZANSKY

SUBJECT: Presidential Briefing on Economic Growth and
Cooperation, Thursday, May 21, 1987, 2:00 - 3:00
P.M., Roosevelt Room

The attached memorandum transmits information to the President on the content and structure of Thursday's Venice Summit briefing on economic growth and cooperation.

RECOMMENDATION

That you sign the attached memorandum to Howard Baker and Frank Carlucci.

Approve _____

Disapprove _____

Attachments

Tab I Memo to Baker and Carlucci
Tab A Memo to the President
Tab 1 Agenda

Prepared by: *SFF*
Stephen P. Farrar

THE WHITE HOUSE
WASHINGTON

ACTION

MEMORANDUM FOR HOWARD H. BAKER
FRANK C. CARLUCCI

FROM: THOMAS C. GRISCOM
COLIN L. POWELL

SUBJECT: Presidential Briefing on Economic Growth and
Cooperation, Thursday, May 21, 1987, 2:00 -
3:00 P.M., Roosevelt Room

In preparation for the Venice Summit, a full hour of briefing has been set aside for potentially the most critical economic issues that will arise: how to promote faster growth and greater cooperation. The President must decide what assurances to seek from other Summit partners. He must also be prepared for pressure for more fiscal restraint in the United States.

The discussion will be led by Beryl Sprinkel, with Jim Baker and George Shultz offering their perspectives.

RECOMMENDATION

That you sign the memorandum to the President attached at Tab A.

Approve _____ Disapprove _____

Attachments

Tab A Memorandum to the President
Tab 1 Agenda

cc: Dan Crippen

THE WHITE HOUSE

WASHINGTON

MEETING ON ECONOMIC GROWTH AND COOPERATION

DATE: May 21, 1987

LOCATION: The Roosevelt Room

TIME: 2:00 P.M. - 3:00 P.M.

FROM: HOWARD H. BAKER

FRANK C. CARLUCCI

I. PURPOSE

To discuss prospects for achieving faster and more balanced economic growth through greater cooperation among Summit countries.

II. BACKGROUND

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Secretary James A. Baker

Beryl W. Sprinkel

Howard H. Baker

Frank C. Carlucci

W. Allen Wallis, Under Secretary of State

David C. Mulford, Assistant Secretary of Treasury

Stephen I. Danzansky, NSC Staff

Stephen P. Farrar, NSC Staff

Daniel Crippen, WH Staff
Michael L. Mussa, Member, CEA

IV. PRESS PLAN

White House photographer only.

V. SEQUENCE OF EVENTS

Allen Wallis will briefly introduce the subject. Beryl Sprinkel will then provide an overview of the international economy, followed by presentations by Jim Baker and George Shultz on prospects at Venice from an economic and political viewpoint. A discussion period will follow.

Attachment

Tab 1

Agenda

MEETING ON ECONOMIC GROWTH AND COOPERATION

Thursday, May 21, 1987
The Roosevelt Room
2:00 P.M. - 3:00 P.M.

AGENDA

- | | | |
|------|--|--------------------------------|
| I. | Introduction | Allen Wallis
(3 minutes) |
| II. | Overview - The International
Economic Environment | Beryl Sprinkel
(17 minutes) |
| III. | Prospects for the Venice
Summit | James Baker
(10 minutes) |
| IV. | Political Implications | George Shultz
(10 minutes) |
| V. | Discussion | (15 minutes) |
| VI. | Conclusion | Allen Wallis
(5 minutes) |

**National Security Council
The White House**

System # _____

Package # 3836

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Bob Pearson	<u>1</u>	<input checked="" type="checkbox"/>	<u>A</u>
Marybel Batjer	_____	_____	_____
Grant Green	_____	_____	_____
Colin Powell	_____	_____	_____
Paul Thompson	_____	_____	_____
Frank Carlucci	_____	_____	_____
Grant Green	_____	_____	_____
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I = Information	<u>A = Action</u>	R = Retain	D = Dispatch	N = No further Action
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cc: VP Baker

Other _____

COMMENTS

Should be seen by: _____

(Date/Time)

National Security Council
The White House

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Package # 3836

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87 MAY 21 P 5: 44

	SEQUENCE TO	HAS SEEN	DISPOSITION
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Colin Powell	3	Q	
Paul Thompson	4		
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NSC Secretariat			
Situation Room			

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

cc: VP Baker Other _____

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

Pre Economic Summit Brief
5/26 1400

**National Security Council
The White House**

System # _____

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Bob Pearson	<u>1</u>	<u>P</u>	<u>X</u>
Marybel Batjer			
Grant Green	<u>2</u>	<u>[Signature]</u>	
Colin Powell	<u>3</u>	<u>[Signature]</u>	
Paul Thompson	<u>4</u>		
Frank Carlucci	<u>5</u>	<u>✓</u>	<u>A</u>
Grant Green			<u>[Signature]</u>
NSC Secretariat	<u>6</u>		<u>[Signature]</u>
NSC Secretariat			
Situation Room			

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

cc: VP Baker Other CLP

COMMENTS Should be seen by: _____

Pre-Econ Summit talkers for FCC
5/26 1400 (Date/Time)

NSC/S PROFILE

UNCLASSIFIED

ID 8703836

RECEIVED 19 MAY 87 14

TO POWELL FROM DANZANSKY
FARRAR
DANZANSKY

DOCDATE 19 MAY 87
19 MAY 87
21 MAY 87

KEYWORDS: VENICE SUMMIT ECONOMICS
AP

SUBJECT: PRES BRIEFING RE ECONOMIC GROWTH & COOPERATION 21 MAY

ACTION: FOR SIGNATURE DUE: 19 MAY 87 STATUS IP FILES WH

FOR ACTION FOR CONCURRENCE FOR INFO
POWELL

COMMENTS

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THE WHITE HOUSE

WASHINGTON

May 22, 1987

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F0006-12

BRIEFING FOR VENICE ECONOMIC SUMMIT:
ECONOMIC GROWTH AND COOPERATION

DATE: May 26, 1987

LOCATION: The Cabinet Room

TIME: 2:00 P.M. - 3:00 P.M.

FROM: HOWARD H. BAKER
FRANK C. CARLUCCI

Key for HHB

I. PURPOSE

To discuss prospects for using the Venice Summit to achieve faster and more balanced economic growth through greater cooperation among Summit countries.

II. BACKGROUND

At Tokyo last year, a process of strengthened economic coordination was initiated and Finance Ministers were asked to report on progress at the Venice Summit. Since Tokyo, however, the dollar has declined substantially against the yen and the deutsche mark, current account imbalances have persisted, and growth rates among the Summit Seven have proven lower than expected.

Over the past several months, the G-7 countries have engaged in coordinated intervention in an effort to curb large changes in exchange rates. Also, Japan and West Germany have committed to implement fiscal stimulation measures. Japan plans a 5 trillion yen spending package and Germany plans a 14 billion mark tax cut in 1988. Both countries, however, persist in the view that U.S. fiscal restraint is needed.

To help promote growth over the longer term, the OECD has recently completed a report on structural adjustment. That report identifies changes needed to remove rigidities in labor, agricultural, capital, and other markets.

III. PARTICIPANTS

- The President
- The Vice President
- Secretary George P. Shultz
- Secretary James A. Baker
- Howard H. Baker
- Frank C. Carlucci
- Kenneth Duberstein
- Thomas Griscom
- W. Allen Wallis, Under Secretary of State
- David C. Mulford, Assistant Secretary of Treasury
- Beryl W. Sprinkel

NSC#8703836

cc Vice President
Chief of Staff (2)

Stephen I. Danzansky, NSC Staff
Stephen P. Farrar, NSC Staff
Daniel Crippen, WH Staff
Michael L. Mussa, Member, CEA

IV. PRESS PLAN

White House photographer only.

V. SEQUENCE OF EVENTS

Frank Carlucci and Allen Wallis will briefly introduce the subject. Beryl Sprinkel will then provide an analysis of the international economy. Jim Baker will then provide his assessment of prospects at Venice. A discussion period will follow.

Attachment

Tab 1	Agenda
2	Talking Points

BRIEFING FOR VENICE ECONOMIC SUMMIT:
ECONOMIC GROWTH AND COOPERATION

Tuesday, May 26, 1987
The Cabinet Room
2:00 P.M. - 3:00 P.M.

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|---|----------------------------------|
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(2 minutes) |
| II. Introduction | Frank Carlucci
(2 minutes) |
| III. Overview | Allen Wallis
(3 minutes) |
| IV. Analysis of the International
Economic Environment | Beryl Sprinkel
(20 minutes) |
| V. Prospects for the Venice
Summit | James Baker
(15 minutes) |
| VI. Discussion | All Participants
(15 minutes) |
| VII. Summary | Frank Carlucci
(3 minutes) |

TALKING POINTS
BRIEFING FOR VENICE ECONOMIC SUMMIT:
ECONOMIC GROWTH AND COOPERATION

- Thank you for coming today. I am glad we have set aside a full hour to talk about our macroeconomic objectives at the Venice Summit.

- The Summit comes at a time of strain on many economic fronts, making it critical that heads of state reach common understandings on how best to solve our problems.

- George tells me we'll need to exercise some leadership on these issues in Venice.

- I look forward to hearing the advice of all of you on how I can best advance the cause of international economic growth and stability at Venice.

TALKING POINTS

- Thank you for coming today. I am glad we have set aside a full hour to talk about our macroeconomic objectives at the Venice Summit.
- The Summit comes at a time of strain on many economic fronts, making it critical that heads of state reach common understandings on how best to solve our problems.

2.

- George tells me we'll need to exercise some leadership on these issues in Venice.
- I look forward to hearing the advice of all of you on how I can best advance the cause of international economic growth and stability at Venice.

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

47444955

May 21, 1987

F0006-12

SUSPENSE

ACTION

MEMORANDUM FOR FRANK C. CARLUCCI

FROM: STEPHEN I. DANZANSKY

SUBJECT: Your Talking Points for the Briefing for the Venice Economic Summit, Tuesday, May 26, 1987, 2:00 - 3:00 P.M., The Cabinet Room

The agenda for the briefing (attached at Tab I) calls for you to introduce the subject. Talking points for that purpose are at Tab II. Note that the agenda also calls on you to summarize the discussion at the end of the hour.

RECOMMENDATION

That you use the attached talking points to introduce next Tuesday's discussion with the President on macroeconomic policy issues at Venice.

Approve _____

Disapprove _____

Attachments

- Tab I Agenda
- II Talking Points

Prepared by: *SPF*
Stephen P. Farrar

BRIEFING FOR VENICE ECONOMIC SUMMIT:
ECONOMIC GROWTH AND COOPERATION

Tuesday, May 26, 1987
The Cabinet Room
2:00 P.M. - 3:00 P.M.

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(3 minutes) |

TALKING POINTS FOR FRANK CARLUCCI
BRIEFING FOR VENICE ECONOMIC SUMMIT:
ECONOMIC GROWTH AND COOPERATION

Tuesday, May 26, 1987
2:00 - 3:00 P.M., The Cabinet Room

- Mr. President, I certainly agree with your assessment that macroeconomic issues will be critical at the Venice Summit.

- As we discussed at the NSC meeting last Thursday, there is a growing public expectation that the seven summit leaders, each for their own political reasons, will be collectively unable to act decisively at Venice.

- Yet, as I think you will hear this afternoon, the economic problems of today cry out for cooperative action to solve them.

- I will now ask Allen Wallis to set the stage for the discussion.

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20508

SUSPENSE

ACTION

May 20, 1987

MEMORANDUM FOR THOMAS C. GRISCOM
COLIN L. POWELL

FROM: STEPHEN I. DANZANSKY

SUBJECT: Presidential Briefing on Economic Growth and
Cooperation, Tuesday, May 26, 1987, 2:00 - 3:00
P.M., Cabinet Room

The attached memorandum transmits information to the President on the content and structure of next Tuesday's Venice Summit briefing on economic growth and cooperation.

RECOMMENDATION

That you sign the attached memorandum to Howard Baker and Frank Carlucci.

Approve _____ Disapprove _____

Attachments

Tab I Memo to Baker and Carlucci
Tab A Memo to the President
Tab 1 Agenda
2 Talking Points

Prepared by: *SPF*
Stephen P. Farrar

THE WHITE HOUSE
WASHINGTON

ACTION

MEMORANDUM FOR HOWARD H. BAKER
FRANK C. CARLUCCI

FROM: THOMAS C. GRISCOM
COLIN L. POWELL

SUBJECT: Presidential Briefing on Economic Growth and
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3:00 P.M., Cabinet Room

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After introductions by Frank Carlucci and Allen Wallis, the briefing will begin with an analysis by Beryl Sprinkel. Jim Baker will then provide his assessment of Summit prospects. George Shultz and others will offer their perspectives during the discussion period.

RECOMMENDATION

That you sign the memorandum to the President attached at Tab A.

Approve _____ Disapprove _____

Attachments

Tab A Memorandum to the President
Tab 1 Agenda
2 Talking Points

cc: Dan Crippen

THE WHITE HOUSE

WASHINGTON

BRIEFING FOR VENICE ECONOMIC SUMMIT:
ECONOMIC GROWTH AND COOPERATION

DATE: May 26, 1987

LOCATION: The Cabinet Room

TIME: 2:00 P.M. - 3:00 P.M.

FROM: HOWARD H. BAKER
FRANK C. CARLUCCII. PURPOSE

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Michael L. Mussa, Member, CEA

IV. PRESS PLAN

White House photographer only.

V. SEQUENCE OF EVENTS

Frank Carlucci and Allen Wallis will briefly introduce the subject. Beryl Sprinkel will then provide an analysis of the international economy. Jim Baker will then provide his assessment of prospects at Venice. A discussion period will follow.

Attachment

Tab 1	Agenda
2	Talking Points

BRIEFING FOR VENICE ECONOMIC SUMMIT:
ECONOMIC GROWTH AND COOPERATION

Tuesday, May 26, 1987
The Cabinet Room
2:00 P.M. - 3:00 P.M.

AGENDA

- | | |
|---|----------------------------------|
| I. Opening Remarks | The President
(2 minutes) |
| II. Introduction | Frank Carlucci
(2 minutes) |
| III. Overview | Allen Wallis
(3 minutes) |
| IV. Analysis of the International
Economic Environment | Beryl Sprinkel
(20 minutes) |
| V. Prospects for the Venice
Summit | James Baker
(15 minutes) |
| VI. Discussion | All Participants
(15 minutes) |
| VII. Summary | Frank Carlucci
(3 minutes) |

TALKING POINTS
BRIEFING FOR VENICE ECONOMIC SUMMIT:
ECONOMIC GROWTH AND COOPERATION

- Thank you for coming today. I am glad we have set aside a full hour to talk about our macroeconomic objectives at the Venice Summit.

- The Summit comes at a time of strain on many economic fronts, making it critical that heads of state reach common understandings on how best to solve our problems.

- George tells me we'll need to exercise some leadership on these issues in Venice.

- I look forward to hearing the advice of all of you on how I can best advance the cause of international economic growth and stability at Venice.

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20508ACTION

May 19, 1987

MEMORANDUM FOR THOMAS C. GRISCOM
COLIN L. POWELLFROM: STEPHEN ~~V.~~ DANZANSKYSUBJECT: Presidential Briefing on Economic Growth and
Cooperation, Thursday, May 21, 1987, 2:00 - 3:00
P.M., Roosevelt Room

The attached memorandum transmits information to the President on the content and structure of Thursday's Venice Summit briefing on economic growth and cooperation.

RECOMMENDATION

That you sign the attached memorandum to Howard Baker and Frank Carlucci.

Approve _____

Disapprove _____

Attachments

Tab I Memo to Baker and Carlucci
Tab A Memo to the President
Tab 1 Agenda

Prepared by: *SFF*
Stephen P. Farrar

THE WHITE HOUSE
WASHINGTON

ACTION

MEMORANDUM FOR HOWARD H. BAKER
FRANK C. CARLUCCI

FROM: THOMAS C. GRISCOM
COLIN L. POWELL

SUBJECT: Presidential Briefing on Economic Growth and
Cooperation, Thursday, May 21, 1987, 2:00 -
3:00 P.M., Roosevelt Room

In preparation for the Venice Summit, a full hour of briefing has been set aside for potentially the most critical economic issues that will arise: how to promote faster growth and greater cooperation. The President must decide what assurances to seek from other Summit partners. He must also be prepared for pressure for more fiscal restraint in the United States.

The discussion will be led by Beryl Sprinkel, with Jim Baker and George Shultz offering their perspectives.

RECOMMENDATION

That you sign the memorandum to the President attached at Tab A.

Approve _____ Disapprove _____

Attachments

Tab A Memorandum to the President
Tab 1 Agenda

cc: Dan Crippen

THE WHITE HOUSE

WASHINGTON

MEETING ON ECONOMIC GROWTH AND COOPERATION

DATE: May 21, 1987
LOCATION: The Roosevelt Room
TIME: 2:00 P.M. - 3:00 P.M.

FROM: HOWARD H. BAKER
FRANK C. CARLUCCI

I. PURPOSE

To discuss prospects for achieving faster and more balanced economic growth through greater cooperation among Summit countries.

II. BACKGROUND

At Tokyo last year, a process of strengthened economic coordination was initiated and Finance Ministers were asked to report on progress at the Venice Summit. Since Tokyo, however, the dollar has declined substantially against the yen and the deutsche mark, current account imbalances have persisted, and growth rates among the Summit Seven have proven lower than expected.

Over the past several months, the G-7 countries have engaged in coordinated intervention in an effort to curb large changes in exchange rates. Also, Japan and West Germany have committed to implement fiscal stimulation measures. Japan plans a 5 trillion yen spending package and Germany plans a 14 billion mark tax cut in 1988. Both countries, however, persist in the view that U.S. fiscal restraint is needed.

To help promote growth over the longer term, the OECD has recently completed a report on structural adjustment. That report identifies changes needed to remove rigidities in labor, agricultural, capital, and other markets.

III. PARTICIPANTS

The President
The Vice President
Secretary George P. Shultz
Secretary James A. Baker
Beryl W. Sprinkel
Howard H. Baker
Frank C. Carlucci
W. Allen Wallis, Under Secretary of State
David C. Mulford, Assistant Secretary of Treasury
Stephen I. Danzansky, NSC Staff
Stephen P. Farrar, NSC Staff

Daniel Crippen, WH Staff
Michael L. Mussa, Member, CEA

IV. PRESS PLAN

White House photographer only.

V. SEQUENCE OF EVENTS

Allen Wallis will briefly introduce the subject. Beryl Sprinkel will then provide an overview of the international economy, followed by presentations by Jim Baker and George Shultz on prospects at Venice from an economic and political viewpoint. A discussion period will follow.

Attachment

Tab 1

Agenda

MEETING ON ECONOMIC GROWTH AND COOPERATION

Thursday, May 21, 1987
The Roosevelt Room
2:00 P.M. - 3:00 P.M.

AGENDA

- | | | |
|------|--|--------------------------------|
| I. | Introduction | Allen Wallis
(3 minutes) |
| II. | Overview - The International
Economic Environment | Beryl Sprinkel
(17 minutes) |
| III. | Prospects for the Venice
Summit | James Baker
(10 minutes) |
| IV. | Political Implications | George Shultz
(10 minutes) |
| V. | Discussion | (15 minutes) |
| VI. | Conclusion | Allen Wallis
(5 minutes) |

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RECORD ID: 8703836
RECEIVED: 19 MAY 87 14

TO:

FROM: CARLUCCI

DOC DATE: 22 MAY 87
SOURCE REF:

KEYWORDS: VENICE SUMMIT
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STAFF OFFICER: FARRAR

LOGREF:

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FOR ACTION

FOR CONCURRENCE

FOR INFO

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001 PRESIDENT	Z 87052218 FOR INFORMATION
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DOCDATE 19 MAY 87

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