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WITHDRAWAL SHEET

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File Folder UNITE KINGDOM "SHERPA" MEETING 03/07/1986-
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FOIA

F02-071/3

Box Number 90981

COLLINS

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ID	Doc Type	Document Description	No of	Doc Date	Restrictions
31777	MEMO	SCOTT BROWN TO MR. WALLIS, RE: SCENARIO AND OBJECTIVES FOR MARCH 7- 9 SHERPA MEETING <i>R 8/4/2008 F02-071/3</i>	2	3/5/1986	B1
31778	CABLE	DRAFT, NO CABLE #, RE: COMMENTS ON TOKYO SUMMIT THEMATIC PAPER <i>R 8/4/2008 F02-071/3</i>	5	2/12/1986	B1
31779	PAPER	U.S. ECONOMIC OBJECTIVES FOR THE TOKYO SUMMIT <i>R 8/4/2008 F02-071/3</i>	6	12/23/1986	B1
31780	PAPER	THEMATIC PAPER FOR TOKYO SUMMIT, MEETING OF PERSONAL REPRESENTATIVES <i>R 8/4/2008 F02-071/3</i>	14	ND	B1

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]

C. Closed in accordance with restrictions contained in donor's deed of gift.

U.K. "SHERPA" MEETING
March 7-9, 1986
Brockett Hall
Hertfordshire, U.K.

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THIS FORM MARKS THE FILE LOCATION OF ITEM NUMBER 1 LISTED ON THE
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U.K. "SHERPA" MEETING
March 7-9, 1986
Brockett Hall
Hertfordshire, U.K.

TAB

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- 1 Scenario and Objectives for U.K. meeting
- 2 Schedule and Attendees
- 3 U.S. Objectives for Tokyo Economic Summit
- 4 Annotated Thematic Paper
- 5 Annotated "General" (i.e., Political) Statement

-- Background Papers --

- 1 Macroeconomic and Structural Issues
- 2 Foreign Exchange Market Developments
- 3 U.S. Economic Outlook (and policy)
- 4 New Trade Round/Trade Policy
- 5 International Monetary Issues
- 6 LDC Growth, Debt
- 7 Aid to the Poorest LDC's
- 8 Oil Market Developments/Impacts
- 9 Commodities
- 10 Technology, Growth and Employment Working Group
- 11 Environment
- 12 Manned Space Station
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- 14 Terrorism
- 15 Narcotics
- 16 "Human Frontier Program"
- 17 Bonn Summit Communiques



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United States Department of State

NLRR FOZ-071/3#31777

Washington, D.C. 20520

BY LOJ NARA DATE 8/4/08

March 5, 1986

31777

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MEMORANDUM FOR MR. WALLIS

FROM: Scott Brown *Scott*

SUBJECT: Scenario and Objectives for March 7-9 Sherpa Meeting

Overview

Your objectives are to continue working to secure agreement on economic and political agendas for the Tokyo Summit which meet the President's priorities, and to get acceptable language in the thematic paper and any draft political statements. Issues for the meeting fall into four categories:

1. Administrative Issues
2. Thematic Paper
3. Oil Prices
4. Political/ Miscellaneous

Background

A schedule and list of attendees are at Tab 2. The meeting will begin with cocktails and separate, working dinners on Friday, March 7. There will be morning and afternoon plenaries on Saturday, March 8, with separate working luncheons. A morning plenary and working lunches are firmly scheduled for Sunday, with an afternoon meeting if necessary.

1. Administrative Issues - Will probably be covered in Friday PR working dinner and Sunday lunch. Topics could include:

- (a) Results of the Advance Team visits. Our major concern relates to the schedule (copy attached). The White House has asked that the two plenary sessions on Monday, May 5, be shortened. Specifically, they want the morning session to run from 9:30 to 12:30 (instead of 9:00 to 1:00 as the Japanese proposed) and the afternoon plenary from 3:00 to 5:30 (instead of 3:00 to 6:00). There are few issues relating to Summit logistics which we would want to take up in a meeting with other delegations. U.S. access arrangements are between us and the Japanese; our delegation will stay at the Okura. It appears that the access arrangements will be exactly as Henkel requested in his original meeting (10 transferable badges for the Palace, 15 more for the delegation offices, plus an exemption for the President's "core 4" personal aides).

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- (b) EC Participation. Sir Robert Armstrong wrote last month to inform you that European participants have agreed to support the fall participation of both the Dutch and the EC Commission. This would place both Lubbers and Delors at all restricted sessions, and would also imply a three-person delegation for each (although Sir Robert indicated he would not object strongly to a two-person limit). We will have to let the others sort this out; Teshima and Lamy are trying to work out a compromise.
- (c) April Meeting. You requested that the April 19-20 meeting in France be a plenary; however, Teshima refused. You will want to get further details on the site and agenda for that meeting. In addition, you and Teshima have agreed that there should be a meeting of political directors just before the April meeting, possibly ending with a joint PR-political director session on April 19.
- (d) Presidential Speech, May 3. Per conversation at yesterday's Sherpa team meeting, you will want to sound out Teshima privately on GoJ reactions to a possible Presidential address to the U.S. Chamber of Commerce in Tokyo, on Saturday, May 3.

2. Thematic Paper - To be covered in the plenary sessions. Our markup with alternative U.S. language is at Tab 4. Teshima wrote that the Thematic Paper would be "crystallized into the form of an annotated agenda" by the April meeting.

3. Oil Prices - To be covered in the Saturday afternoon plenary. Talking points and background (including Teshima's paper) at Tab 8 of "background papers" section.

4. Political/Miscellaneous - Mainly for PR working luncheon Saturday. Basic material on high-priority political issues and the "general" statement are at Tab 5. There is background material on the TGE working groups, environment, manned space station, political issues, and MITI's back-channel proposal for a "Human Frontier Program" at Tabs 10-16 of the "background papers" section. You will want to pin down with Teshima whether he and Nakasone want the "Human Frontiers Program." Teshima has asked us to press hard on East-West and narcotics.

Attachments: As stated.

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Summary Programme(Tentative)

Sunday 4 May

- 14:00-17:00 Welcoming Ceremony at the Front Yard of Akasaka Palace
18:30-19:30 Reception in Garden Lounge, Hotel New Otani
20:00-22:00 Separate Working Dinners
Heads of Delegation: Prime Minister's Official Residence
Foreign Ministers
Finance Ministers

Monday 5 May

* [9:00-13:00]
change to
9:30-12:30.

- Separate Sessions
Heads of Delegation meet in Kacho-no-ma, Akasaka Palace
Foreign Ministers meet in Asahi-no-ma, Akasaka Palace
Finance Ministers meet in Sairan-no-ma, Akasaka Palace

13:00 Group Photograph

13:30-14:30 Working Lunches

- Heads of Delegation and Foreign Ministers: Akasaka Palace
Finance Ministers: Akasaka Palace

* [15:00-18:00]
change to 15:00-
17:30.

Plenary Session

- Heads of Delegation, Foreign Ministers and Finance Ministers meet in Hagoromo-no-ma, Akasaka Palace

20:00-22:00 Separate Working Dinners

- Heads of Delegation
Foreign Ministers
Finance Ministers

Tuesday 6 May

9:00-10:00 (In case that Separate Sessions are held)

- Heads of Delegation meet in Kacho-no-ma, Akasaka Palace
Foreign Ministers meet in Asahi-no-ma, Akasaka Palace
Finance Ministers meet in Sairan-no-ma, Akasaka Palace

10:15-12:30 Plenary Session

- Heads of Delegation, Foreign Ministers and Finance Ministers meet in Hagoromo-no-ma, Akasaka Palace

13:00-14:30 Plenary Working Lunch, Hotel New Otani

16:00-16:30 Joint Press Conference in Tsuru-no-ma, Hotel New Otani

19:00-21:30 Imperial Banquet at Imperial Palace

Meeting Record Summary
1986 Economic Summit
Second Sherpa Meeting
January 31-February 2, 1986

I. Sherpas and Assistants in Attendance

United States

Mr. W. Allen Wallis
Under Secretary of State for Economics

Dr. David Mulford
Assistant Secretary of the Treasury

Mr. Stephen Danzansky
Senior Director of International Economic Affairs, National
Security Council

Republic of France

Mr. Jacques Attali
Special Adviser to the President

Mr. Jean Vidal
Director General of the Division of Economic & Financial
Affairs, Ministry of External Relations

Mr. Daniel Lebeque
Director General of the Division of Treasury, Ministry for
the Economy, Finance and the Budget

United Kingdom

Sir Robert Armstrong
Secretary of the Cabinet

Mr. Rodric Braithwaite
Deputy Under Secretary, Foreign Common Wealth Office

Sir J. Geoffrey Littler
Second Permanent Secretary, HM Treasury

Federal Republic of Germany

Dr. Hans Tietmeyer
State Secretary, Ministry for Finance

Dr. Alois Jelonek
Director General, Department of the External Economic Policy.
Development Assistance & European Economic Integration,
Federal Ministry of Foreign Affairs

Dr. Lorenz Schomerus
Director General, Department of the External Economic

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Department of State Guidelines, July 23
By d/c NARA, Date 1/14/07

Affairs, Federal Ministry of Economics

Japan

Reishi Teshima
Deputy Minister for Foreign Affairs

Tomomitsu Oba
Deputy ~~Financial~~ Minister of Finance ✓

Nobu^toshi Akao
Counsellor in the Bureau of Economic Affairs in the Foreign
Ministry ✓

Kunio Miyamoto
Deputy Director General, Coordination Bureau, Economic
Planning Agency

Republic of Italy

Ambassador Renato Ruggiero
Secretary General of the Ministry of Foreign Affairs

Dr. Mario Sarcinelli
Director General of the Treasury, Ministry of the Treasury

Prof. Antonio Pedone
Economic Councilor, Presidency of the Council of the
Ministries

Canada

Dr. Sylvia Ostry
Ambassador ~~the~~ Multilateral Trade Negotiations ✓
fr

Mr. ~~Bernie Drabbe~~ *Bernard Drabble*
Associate Deputy Minister, Department of Finance ✓

Mr. David Wright
Director General of the Economic Affairs Bureau, Department
of External Affairs

Commission of the European Communities

Mr. Pascal Lamy
Head of Cabinet of the President of the Commission

Mr. Herman Posthumus-Meyjes
Director General for European Cooperation at the Ministry of
Foreign Affairs of the Kingdom of the Netherlands

Mr. Leslie Fielding
Director General for External Relations at the Commission

II. Agenda Outline

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SCHEDULE

Friday, March 7

- 6:00 p.m. - Attendees due at Brockett Hall, Hertfordshire, UK. Transportation provided by U.S. Embassy, London.
- 7:00 p.m. - Cocktails for all participants.
- 7:30 p.m.(?)- Working dinner for PRs.
Working dinner for others.

Saturday, March 8

- Morning - Plenary: Thematic Paper.
- Lunch - Working lunch for PRs.
- Working lunch for others.
- Afternoon - Plenary: Oil Prices.
- Dinner - All participants.

Sunday, March 9

- Morning - Plenary: Thematic Paper.
- Lunch - Working lunch for PRs.
- Working lunch for others.
- Afternoon - Meeting only if necessary, departure by 5:00 p.m.

ITINERARY FOR LONDON/THE HAGUE/BRUSSELS - March 6-March 12, 1985

BOOKED & CONFIRMED RESERVATIONS

Thursday, March 6, 1986

7:00 a.m. - Lv. National PAA 100 (AW seat 3D, SB seat 5A)
8:00 a.m. - Arr. JFK New York (change planes)
10:00 a.m. - Lv. JFK New York (AW seat 2A, SB seat 23A)
9:40 p.m. - Arr. London Heathrow

Sunday, March 9, 1986 - London to The Hague

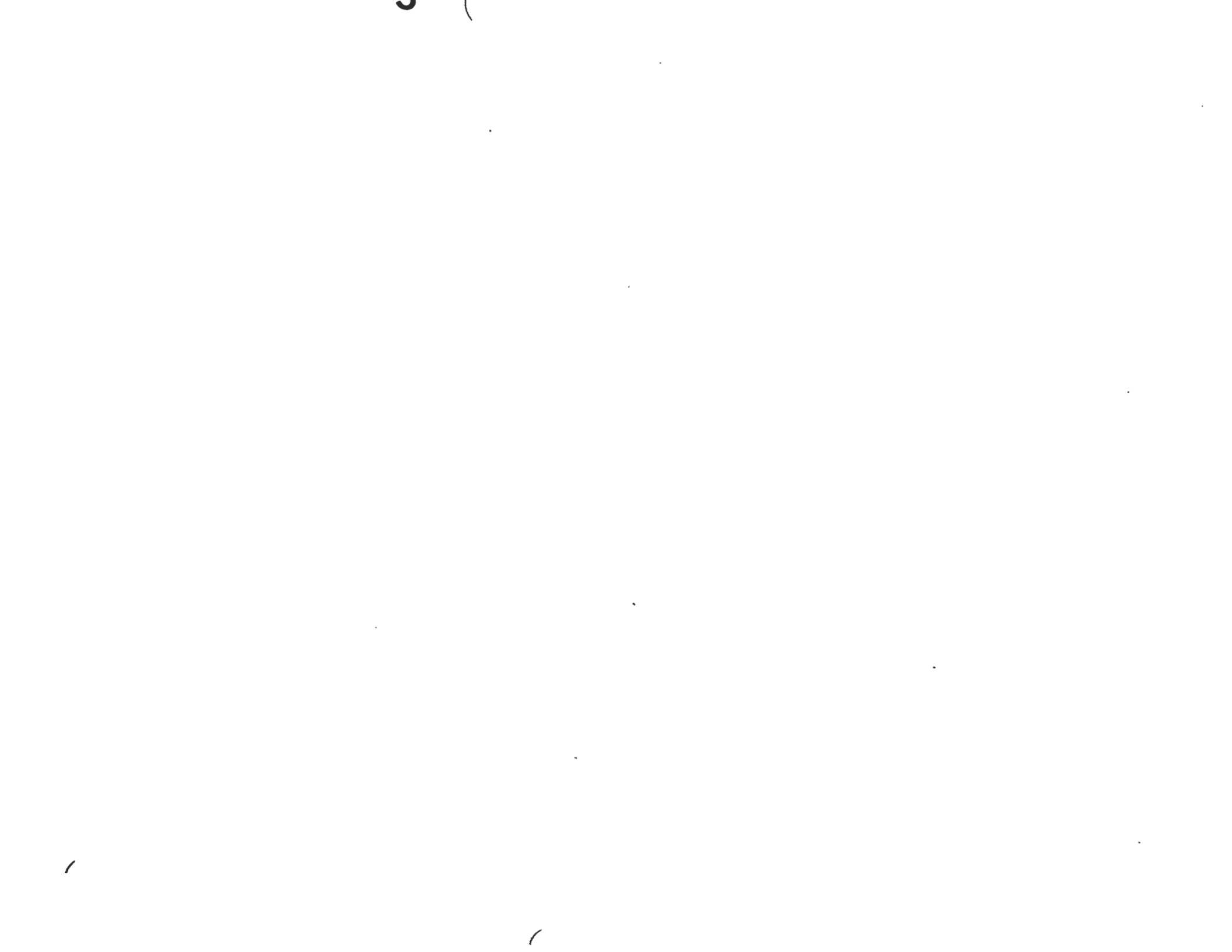
7:00 p.m. - Lv. London Heathrow BA 418 (AW Business-SB Coach)
09:00 p.m. - Arr. Amsterdam (Embassy car to The Hague)

Monday, March 10 - Embassy car to Brussels

Wednesday, March 12

10:45 a.m. - Lv. Brussels BA 375 (Coach Class only)
10:45 a.m. - Arr. London Heathrow
1:45 p.m. - Lv. London PAA 107 (AW seat 2A, SB seat 24K)
5:10 p.m. - Arr. Washington Dulles

PAA - 833-1000



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BY LOJ NARA DATE 8/4/08

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02/12/86 EXT. ~~87754~~ 78854
E:AWALLIS

TREASURY:DMULFORD
USTR:MSMITH

NSC:SDANZANSKY
S/S

E ONLY

IMMEDIATE TOKYO

STADIS

E.O. 12356: DECL:OADR

TAGS: KSUM

SUBJECT: COMMENTS ON TOKYO SUMMIT THEMATIC PAPER

1. ~~SECRET~~ - ENTIRE TEXT.

2. PLEASE DELIVER THE FOLLOWING MESSAGE ASAP TO REISHI TESHIMA, DEPUTY MINISTER OF FOREIGN AFFAIRS. THIS MESSAGE IS HIGHLY SENSITIVE. BEGIN TEXT COVER LETTER:

DEAR REISHI:

IT IS GILDING THE LILY TO SUGGEST IMPROVEMENTS TO YOUR EXCELLENT PAPER, BUT WE DO HAVE SOME SUGGESTIONS FOR YOUR CONSIDERATION. THE BEST WAY TO CONVEY THESE, I THINK, IS SIMPLY TO SUBMIT A REVISED VERSION OF THE PAPER THAT INCORPORATES OUR SUGGESTIONS. SUCH A VERSION IS ENCLOSED.

LET ME CONGRATULATE YOU AGAIN ON A VERY USEFUL PAPER.

SINCERELY YOURS, ALLEN WALLIS. END TEXT LETTER.

3. BEGIN TEXT - TOKYO SUMMIT THEMES PAPER.

AW
SB/CC
DM
MS
S/S

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I. INTRODUCTION

OVER THE PAST FEW YEARS, A BROAD CONSENSUS HAS EMERGED AMONG OUR NATIONS THAT SOUND DOMESTIC POLICIES WHICH PROMOTE CONVERGENCE OF ECONOMIC PERFORMANCE AMONG THE MAJOR COUNTRIES ARE A PREREQUISITE FOR SUSTAINABLE WORLD ECONOMIC EXPANSION. UNDERLYING THIS CONSENSUS IS AGREEMENT ON WHAT CONSTITUTES QUOTE SOUND POLICY UNQUOTE, AS REFLECTED IN RECENT SUMMIT DECLARATIONS AND IN ACTUAL POLICY IMPLEMENTATION IN MOST OF OUR COUNTRIES. AS A RESULT, THERE HAS BEEN SUBSTANTIAL PROGRESS MADE TOWARD PRODUCING FAVORABLE CONVERGENCE OF ECONOMIC PERFORMANCE. AS A GROUP, SUMMIT ECONOMIES ARE ENTERING THE FOURTH YEAR OF REAL EXPANSION. INFLATION IS DOWN TO LEVELS NOT SEEN SINCE THE LATE 1960'S AND PROSPECTS ARE EXCELLENT FOR CONTINUED IMPROVEMENT.

SUMMIT COUNTRIES SHOULD ACKNOWLEDGE THESE SUCCESSES, WITHOUT BEING COMPLACENT. THE PROGRESS WE HAVE MADE IN RESTORING GROWTH AND FIGHTING INFLATION AND IN DEVELOPING A COMMON POLICY STRATEGY PROVIDES A SOLID FOUNDATION FOR FACING THE CHALLENGES WHICH REMAIN -- HIGH UNEMPLOYMENT, LARGE EXTERNAL IMBALANCES, BURDENSOME GOVERNMENT SECTORS, AND STRONG PROTECTIONIST PRESSURES. WE MUST CONTINUE TO WORK ON TWO FRONTS TO FACE THESE CHALLENGES AND THUS STRENGTHEN AND SUSTAIN THE EXPANSION:

-- INDIVIDUALLY, TO CONTINUE TO IMPLEMENT POLICIES THAT ADDRESS OUR SPECIFIC PROBLEMS AND MAKE OUR ECONOMIES STRONG; AND

-- COLLECTIVELY, TO CONTINUE THE EFFORTS REINVIGORATED OVER THE LAST YEAR TO IMPROVE CONSULTATION AND COOPERATION AMONG OUR GOVERNMENTS ON ISSUES THAT INFLUENCE THE GLOBAL ECONOMY, INCLUDING THE INTERNATIONAL EFFECTS OF OUR DOMESTIC ECONOMIC POLICIES.

SUCH EFFORTS WILL ENHANCE THE ECONOMIC PROSPERITY AND POTENTIAL OF OUR OWN COUNTRIES AND THOSE LINKED TO US BY TRADE AND FINANCIAL FLOWS. IN PARTICULAR, OUR SUCCESS IS CRITICAL TO PROVIDING A FAVORABLE ENVIRONMENT FOR LDC ECONOMIC REFORMS.

II. EVALUATION OF RECENT DEVELOPMENTS

SINCE WE MET IN BONN, THERE HAVE BEEN SEVERAL IMPORTANT AND FAVORABLE DEVELOPMENTS:

-- INFLATION IN SUMMIT COUNTRIES AS A GROUP FELL BELOW FOUR PERCENT IN 1985, WITH A SIGNIFICANT NARROWING OF DIFFERENTIALS AMONG COUNTRIES.

-- THERE IS EVIDENCE IN MOST SUMMIT COUNTRIES THAT DOMESTIC DEMAND IS MAKING A GREATER CONTRIBUTION TO REAL GROWTH.

-- RECENT OIL PRICE DECLINES WILL HAVE BENEFICIAL EFFECTS ON GROWTH AND INFLATION IN ALMOST ALL INDUSTRIAL AND MANY DEVELOPING COUNTRIES.

-- IMPROVED ECONOMIC FUNDAMENTALS IN MANY SUMMIT COUNTRIES HAVE BEEN REFLECTED IN APPRECIATION OF NON-DOLLAR CURRENCIES, FACILITATING THE ADJUSTMENT OF LARGE EXTERNAL IMBALANCES.

-- SUMMIT COUNTRIES HAVE MADE PROGRESS IN FULFILLING THE POLICY INTENTIONS OUTLINED IN THE BONN SUMMIT DECLARATION, ALTHOUGH SOME HAVE TAKEN GREATER STEPS THAN OTHERS.

-- NEW COOPERATIVE EFFORTS ARE BEING MADE TO ADDRESS THE DEBT SITUATION.

-- PREPARATORY WORK IS UNDERWAY FOR A GATT MINISTERIAL IN SEPTEMBER 1986 TO LAUNCH A NEW TRADE ROUND.

-- THE SUMMIT SPIRIT OF COOPERATION AND CONSULTATION AMONG WESTERN DEMOCRACIES HAS BEEN REINFORCED IN MANY ECONOMIC AND POLITICAL FORA OVER THE PAST YEAR.

HOWEVER, A NUMBER OF SERIOUS PROBLEMS STILL CLOUD THE OUTLOOK AND, IF NOT ADDRESSED, COULD THREATEN THE STRENGTH AND SUSTAINABILITY OF THE CURRENT EXPANSION.

-- JOB CREATION REMAINS VERY WEAK IN SOME SUMMIT COUNTRIES, KEEPING UNEMPLOYMENT RATES HIGH, ESPECIALLY AMONG YOUNG PEOPLE.

-- IT IS UNLIKELY THAT PROSPECTIVE GROWTH RATES IN THE SUMMIT COUNTRIES WILL SIGNIFICANTLY NARROW THE DIVERGENCES IN CURRENT ACCOUNT IMBALANCES AT CURRENT EXCHANGE RATES.

-- THE SIZE OF PUBLIC SECTORS, DESPITE SOME LIMITED SUCCESS IN EFFORTS TO REDUCE THEM, REMAINS TOO LARGE.

-- PROTECTIONIST PRESSURES, IN BOTH INDUSTRIAL AND DEVELOPING COUNTRIES, CONTINUE TO POSE A THREAT TO GROWTH.

-- LESS DEVELOPED COUNTRIES CONTINUE TO EXPERIENCE DEBT PROBLEMS. IT WILL BE ESSENTIAL FOR THEM TO ADOPT STRUCTURAL REFORMS TO IMPROVE THEIR GROWTH PROSPECTS AS A PREREQUISITE TO RESOLVING THOSE PROBLEMS.

-- A SUSTAINED DECLINE IN OIL PRICES COULD POSE SERIOUS ADDITIONAL DIFFICULTIES FOR HEAVILY INDEBTED OIL-EXPORTING COUNTRIES (WE SHOULD FOLLOW THE SITUATION CLOSELY).

III. ADDRESSING THE REMAINING CHALLENGES

THERE IS A SHARED RESPONSIBILITY AMONG SUMMIT COUNTRIES TO ADDRESS THESE REMAINING ISSUES. THAT RESPONSIBILITY ENTAILS, FIRST AND FOREMOST, THE CONTINUED IMPLEMENTATION OF SOUND, COMPATIBLE POLICIES IN SUMMIT COUNTRIES THAT WILL PROMOTE CONVERGENCE OF STRONG, SUSTAINED, NONINFLATIONARY GROWTH. THESE INCLUDE:

-- NONINFLATIONARY MONETARY POLICY CONDUCIVE TO SUSTAINED EXPANSION;

-- FISCAL POLICIES AIMED AT REDUCING GOVERNMENT EXPENDITURES AND, WHERE APPROPRIATE, BUDGET DEFICITS, AS A SHARE OF GNP;

-- LABOR MARKET, CAPITAL MARKET AND TAX POLICIES WHICH IMPROVE INCENTIVES AND MARKET FLEXIBILITY; PERMITTING THE CREATIVITY OF THE INDIVIDUAL TO FLOURISH;

-- REDOUBLED EFFORTS TO RESIST PROTECTIONISM AND OPEN MARKETS FURTHER.

OUR SHARED RESPONSIBILITY ALSO REQUIRES EFFORTS TO CONTINUE AND, WHERE NECESSARY, STRENGTHEN OUR COOPERATION TO PROMOTE A STRONG AND STABLE GLOBAL ECONOMY. WE MUST:

-- MAINTAIN AND STRENGTHEN COOPERATIVE EFFORTS IN VARIOUS FORA TO PROMOTE NONINFLATIONARY GROWTH AND EXCHANGE MARKET STABILITY;

-- WORK TOGETHER TO ASSURE IMPLEMENTATION OF THE QUOTE PROGRAM FOR SUSTAINED GROWTH UNQUOTE THROUGH ADOPTION OF GROWTH ORIENTED ECONOMIC REFORMS IN THE DEBTOR NATIONS, POLICY AND PROCEDURAL REFORMS WITHIN THE INTERNATIONAL

FINANCIAL INSTITUTIONS TO PERMIT INCREASED DISBURSEMENTS IN SUPPORT OF GROWTH-ORIENTED ECONOMIC REFORM, AND ADEQUATE NET NEW LENDING BY THE COMMERCIAL BANKS;

-- {LANGUAGE ON MONETARY ISSUES TO BE DRAFTED AT A LATER DATE};

-- URGE THE GATT TO COMPLETE THE PREPARATION OF A NEW ROUND OF MULTILATERAL TRADE NEGOTIATIONS BY THE END OF JULY, ENSURING THE SUCCESSFUL LAUNCHING OF SUCH NEGOTIATIONS BY THE SEPTEMBER 1986 GATT MINISTERIAL. ENDORSE A BROAD AGENDA FOR SUCH NEGOTIATIONS, INCLUDING THE STRENGTHENING OF EXISTING GATT RULES, THE LIBERALIZATION OF TARIFF AND NON-TARIFF BARRIERS, AND THE DEVELOPMENT OF NEW DISCIPLINES IN AREAS SUCH AS SERVICES, INTELLECTUAL PROPERTY AND INVESTMENT;

-- ENDORSE MEASURES IDENTIFIED IN THE AFRICA FAMINE REPORT, THE SEOUL MEETINGS, AND ELSEWHERE TO IMPROVE ECONOMIC PROSPECTS FOR THE POOREST DEVELOPING COUNTRIES, AND WELCOME CONCLUSIONS OF APRIL INTERIM AND DEVELOPMENT COMMITTEE MEETINGS AND PROGRESS OF IDA DEPUTIES ON THE USE OF IMF TRUST FUND REFLOWS, WORLD BANK GROUP RESOURCES, AND BILATERAL ASSISTANCE TO PROMOTE COMPREHENSIVE ECONOMIC REFORMS IN THOSE COUNTRIES WITH PROTRACTED BALANCE OF PAYMENTS PROBLEMS;

-- WELCOME PROGRESS SINCE BONN IN OTHER AREAS OF SPECIAL CONCERN NOT REQUIRING DETAILED REVIEW {TGE, MANNED SPACE STATION COOPERATION}. END TEXT OF PAPER. 44

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U.S. Economic Objectives for the Tokyo Summit

The Setting

The Economic Summits in which President Reagan has participated, from Ottawa through Bonn, have produced a growing consensus on the central role of individual choice, operating within the rule of law, in producing economic prosperity. This has been reflected in a remarkably detailed common understanding of domestic economic policies which the Summit countries must pursue to maximize the chances for sustainable growth, both in their own economies and in the rest of the world.

As enumerated in last year's Bonn Economic Declaration, these policies are:

- to consolidate and enhance the progress made in bringing down inflation; .
- to follow prudent, and where necessary strengthened, monetary and fiscal policies (with a view toward stable prices, lower interest rates, and more productive investment), focusing on firm control of public spending;
- to remove obstacles to growth and encourage initiative and enterprise, while maintaining an appropriate "safety net" for those in need;
- to promote greater adaptability and responsiveness in all markets, particularly the labor market;
- to encourage training to improve occupational skills, particularly for the young; and
- to exploit the opportunities for prosperity and the creation of permanent jobs provided by economic change and technological progress.

Economic developments in the Summit countries during 1985, and prospects for 1986, are encouraging in many respects. Economic activity has strengthened in all Summit countries since the beginning of 1985 (with the possible exception of Japan). Disparities in real growth rates have narrowed, and the contribution of domestic demand components to real growth has improved outside the United States. Low inflation rates achieved by most participants should be maintained, with further convergence toward the best average performance since the mid-1960's.

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BY LW NARA DATE 8/4/08

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However, a number of serious imbalances cloud the outlook -- including structural impediments to employment growth and innovation (especially in Europe), unprecedentedly wide (and widening) divergences in current account positions, and failure in the United States and some other countries to bring public expenditure under control. The measures needed to deal with each of these problems are increasingly being recognized and acted upon -- a process given impetus by U.S.-inspired programs of research and policy discussion in international organizations such as the IMF and the OECD. The September 22, 1985 announcement by the G-5 Finance Ministers and Central Bank Governors represented a significant advance in the efforts of the major industrial countries to consult and collaborate on economic policies. It recognized the progress already achieved in pursuing convergence of economic policies and performance, provided concrete policy commitments to improve economic performance further, and noted the desirability of some additional appreciation of non-dollar currencies, given the present and prospective changes in economic fundamentals.

Past Economic Summits have also reflected considerable agreement on how best to assist the developing countries in coping with the international debt problems and promoting sustainable economic growth. The "case-by-case" debt strategy endorsed at Williamsburg has succeeded in dealing with immediate financial strains and initiating the adjustment efforts needed to provide a basis for sustained growth. The experiences of developing countries which have avoided external debt problems, as well as those of countries which have initiated adjustment, have underscored the central role of sound domestic policies in the economic development process -- macroeconomic policy discipline, flexible and market-oriented microeconomic policies, and an openness to foreign trade and investment.

Given a moderately favorable international environment, it would appear possible for the LDC's as a group to make significant further progress in structural adjustment and to achieve more rapid economic growth. To facilitate this, the U.S. has proposed a "Program for Sustained Growth" to strengthen the international debt strategy through adoption of growth-oriented macroeconomic and structural policy measures in troubled debtor countries. We are seeking the support of our key allies, and of the broader international community, for a program of comprehensive economic reform in the principal troubled debtor nations, supported by an expansion of

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policy-based lending by the IBRD and a prudent increase in commercial bank lending to countries willing to undertake adjustment measures. We also propose a joint IMF/World Bank approach using IMF Trust Fund reflows, supplemented by World Bank and bilateral funding, to assist the poorest developing countries (located primarily in Sub-Saharan Africa).

Protectionist pressures pose a growing threat, both to the LDC adjustment process and to continued growth in the industrial world. Dollar depreciation, coupled with changes in relative cyclical positions, will reduce the U. S. trade deficit in the coming months and thereby help to moderate such pressures in the United States. In the interim it will be essential to make continued progress in dismantling unfair foreign trade practices and liberalizing trade in order to hold protectionism at bay. In addition, trade liberalization would greatly benefit the U.S. and the global economy. The most comprehensive and constructive approach would be timely initiation of a new round of multilateral trade negotiations, but the United States and like-minded countries have faced strong resistance at each step along the way to a new round in the GATT.

U.S. Economic Objectives and Strategy

1. Organize Summit economic discussions (and preparatory process) around the theme of "Economic Freedom: the Key to Prosperity." The focus in all areas of economic discussion should be on ways to unleash the energy and creativity of the individual, particularly the removal of governmentally-imposed barriers to structural adjustment and innovation.

2. Reaffirm the soundness of previously-agreed strategies for domestic economic policy in Summit countries, and obtain commitments to redoubled efforts to remove unnecessary government regulation and to reduce structural rigidities in labor and capital markets.

- Manage the structural adjustment exercise in the OECD so as to lead to a Ministerial decision (which the Summit would endorse) for continuing research and policy discussion of factors influencing growth, job creation and adjustment.
- The Summit should note progress in following-up the G-5 announcement, and subsequent improvements in

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economic convergence, exchange rates, and prospects for external balances.

- Depending on the outcome of the April 9-10 Interim Committee discussion, of the G-10 and G-24 reports on the functioning of the international monetary system, the Summit could either note or endorse the Committee's conclusions.

3. During the run-up to the Summit, ensure that visible progress is being made on all fronts to manage trade tensions and strengthen the international trading system. Take full advantage of opportunities to open markets and eliminate unfair trading practices abroad.

- Summit leaders would endorse September, 1986 GATT Ministerial which will launch the new trade round, pledge their full support and best efforts toward its successful conclusion, and reaffirm the benefits of open markets. Depending on the state of preparations, we may want to have the Summit urge a successful conclusion to the Preparatory Committee's work, in line with the U.S. goal of including services in the new round.

- During the preparatory process, note Japanese progress on financial market liberalization, MOSS talks, and other related issues, paying particular attention to any Spring 1986 initiatives to restructure the Japanese economy; while pressing firmly for continued efforts in Japan (and elsewhere).

4. Expand the dialogue with key LDC's on the development process, to enhance understanding of the central role of market-oriented domestic policies operating in a framework of open international trade and investment. Build on these countries' own growing awareness that the private sector is the source of economic growth, not governments.

- Seek Summit endorsement of U.S. "Program for Sustained Growth" to promote structural adjustment and growth in troubled developing countries through adoption of comprehensive economic programs, supported by an increase in policy-based lending by the IBRD, and a prudent increase in commercial bank lending to countries willing to adjust.

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- Induce other Summit countries, as the largest members of these international institutions, to use their voices and votes to help build momentum for modifications in the lending policies of the IMF and IBRD.
 - Emphasize the crucial role of growth and open markets in Summit countries in coping with debt problems and promoting growth in developing countries. The U.S. has so far carried almost the entire burden; it is time for our Summit partners to do their share.
 - The Summit could also endorse, as appropriate, conclusions of the April Interim Committee meeting on the use of IMF Trust Fund reflows to promote comprehensive reforms in the poorest countries, supplemented by World Bank and bilateral financing.
5. The Summit would also note progress since Bonn in other areas of special concern which will not require detailed review:
- Africa famine relief.
 - Cooperation on technology, environment.
 - Manned space station.

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Trade-Related Sections of

Thematic Paper for Tokyo Summit: Talking Points in Support of Proposed Changes

4.4

"Protectionist pressures are still high."

-- There are many causes behind demands for protectionism. Many of these demands rest on the narrow self-interest of those people calling for protectionism. We should not lend credence to these demands by appearing to justify them with reference to macroeconomic concepts.

"All protectionist measures, particularly those outside the GATT, are a cause of grave concern, and redoubled efforts are necessary by all contracting parties to resist growing protectionism."

-- This mainly editorial change strengthens the language.

"There is an urgent need to strengthen the GATT, in order to promote non-discriminatory, multilateral trade. High priority must be given to developing effective disciplines."

-- In some cases, it is simply not realistic to expect countries "to act in accordance with GATT disciplines"; for instance, not even "redoubled efforts" will ensure that Article XIX is always obeyed. In other cases, "reinforcing the GATT system" will not do much good, since the overall system itself is vague and often unenforceable. Instead, we need to make more applicable rules and have countries abide by them.

"To this end, the Summit countries look toward the initiation of a comprehensive new round of multilateral trade negotiations in September, 1986."

-- The best way "to promote the new round" is to get it started on time in September.

6.3

"Promotion of private financial flows, in particular direct investment, including efforts to establish MIGA (Multilateral Investment Guarantee Agency) and to use the new round of multilateral tariff negotiations to develop understandings that will facilitate the flow of investment capital."

-- Currently, there is a great deal of international action to try to increase the flow of private investment to developing countries. Partly, these efforts are a response to the debt crisis. Establishing MIGA will be an important step. The new round will give us an opportunity to review all existing efforts and, if necessary, build upon them with additional, multilateral understandings.

8.2

"Reaffirm their commitment to resist protectionism and reduce and dismantle trade restrictions, noting that a key responsibility of the committee preparing for the new round of multilateral tariff negotiations is to establish an effective mechanism for ensuring that countries live up to this commitment.

-- The past work of the OECD has been useful, but it's time to transfer the standstill/rollback exercise to the GATT, including any monitoring efforts.

8.3

"... and make the GATT more responsive to new developments, stemming from changing patterns in world trade, especially the growth of international trade in services."

-- Our thematic paper would be remiss if it did not specifically mention the phenomenal rise of international services. Indeed, one of the principal new developments in world trade is the rapid growth of trade in services. While the actual value of such trade is still low, its potential is enormous. We need to begin formulating a framework to encourage this trade. GATT is clearly the place to do it, and positive results will help ensure GATT's continued relevance.

8.4

"Promote further trade liberalization, through structural adjustment, with particular emphasis on the interests of developing countries. The summit countries might also draw attention to the responsibility of developing countries to contribute to the better functioning of the multilateral trade system."

-- This is a more balanced statement. It reflects our firm belief that it is in the developing countries' interest, as well as our own, for them to participate more fully in the obligations of maintaining an open trade system.

8.5

"Encourage rational international division of labor through promotion of international investment and technology transfer, and to this end establish a framework for international investment and intellectual property rights in the GATT."

-- Encouraging a sensible international division of labor will mean moving many basic manufacturing processes to the developing countries. However, multinational corporations and other foreign entrepreneurs will not bring the necessary capital and technology to developing countries, unless they are ensured rights of establishment and adequate protections for their investments and intellectual property. An appropriate GATT framework or frameworks can accomplish this.

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BY HJ NARA DATE 8/4/08

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Thematic Paper for Tokyo Summit,
Meeting of Personal Representatives
March 7-9, 1986

I. Recent Developments

1. Over the past few years, a broad consensus has emerged among our nations that sound domestic policies which promote convergence of economic performance among the major countries are a prerequisite for sustainable expansion of the world economy. ~~Thanks to this consensus, the spirit of cooperation existing among the Summit countries has been fostered, resulting in~~ ^{This period has brought} increased

coordination among the industrialized countries in ^{meeting shared economic challenges. Through our individual and collective efforts, tackling various issues, a great deal has been accomplished.}

2. Since we met in Bonn, there have been several important and favourable developments. For instance, internationally:

- There have been determined cooperative efforts to ^{help} ~~make~~ the major exchange rates better reflect the ^{convergence of economic performance,} economic fundamentals. Greater ^{international} ~~compatibility of economic policies has been promoted:~~ ^{and growing recognition of that convergence in foreign exchange markets, has caused exchange rate movements that will facilitate the reduction of large current-account imbalances.}
- The G-10 Finance Ministers have completed their study on ways to improve the functioning of the international monetary system;
- A major initiative to strengthen the international debt strategy has been launched with a spirit of cooperation on the part of all the parties concerned;

- Steady progress has been made ^{toward} for the launching of a new round of multilateral trade negotiations ~~the New Round~~ in September 1986.

Domestically, ~~the~~ sound and credible macroeconomic and structural policies have been ~~steadily~~ implemented within the framework of the policy priorities stated at the Bonn Summit.

The Summit economies taken as a group are entering their fourth year of expansion. Inflation in Summit countries fell below four percent in 1985, a level not seen since the late 1960's, with a significant narrowing of differences among countries.

Lower interest rates and the recent oil price declines will also have ^{significant} beneficial effects on the world economy as a whole, although ~~the various implications of~~ the oil price decline ^{also creates some difficulties,} in particular for the oil-producing ~~debtor~~ countries, ~~need to be further examined.~~

3. However, a number of serious problems still cloud the outlook for the world economy and, if not addressed, could threaten the strength and sustainability of the current expansion. They include the following problems:

- ~~enormous fiscal deficits in many countries~~ ^{difficulties in controlling the size of public sectors and fiscal deficits}
- persistence of high unemployment in ~~Europe~~ ^{many Summit countries,} especially among young people
- high long-term real interest rates in some countries
- ~~considerable~~ ^{volatility} ~~variation~~ in the exchange rates of major currencies

- ~~[continuing]~~ large current account imbalances
- ~~[persistent]~~ protectionist pressures
- ~~a very uncertain~~ debt situation, ^{continuing difficulties with the LDC} [compounded by sagging primary commodity prices, drastically reduced net capital flows to developing countries, and the effect of the recent oil price decline on some oil-producing debtor countries.]

Orientations

II. Basic Tasks_A for Tokyo Summit

4. [After a year of considerable progress, we now stand at a crossroads. The action adopted today will greatly affect the long-term prospects for the world economy in the coming decade. The Summit countries should give due consideration to the inter-relationship and structural nature of the current problems of the world economy when seeking solutions to these problems. While promptness and flexibility may be needed in addressing urgent issues, policies must be consistent from the medium- and long-term perspectives.]

[~~With these considerations in mind,~~] it is essential for us to maintain the momentum of our cooperative action, and ^{to} consolidate the favourable developments arising out of the policy intentions outlined at our last meeting in Bonn and to introduce further measures, individually and jointly, to address the remaining challenges.

Our main tasks are the following:

in Summit countries

4.1 Sustained growth and redressing imbalances [^]

The momentum for economic expansion must be maintained and reinforced through the individual and collective efforts of all Summit countries. Domestic and external imbalances could impair sustainability of growth. The Summit countries have a shared responsibility

to continue to implement sound and compatible policies *-- including full transfer to consumers of oil price declines --* that will promote sustained non-inflationary growth, and at the same time, *reduce* ~~restore~~ external and domestic ^{im} balances.

For this purpose, mobilization of all economic policy tools, particularly on the supply side, are called for within the framework of medium- and long-term policy orientations. *This process should be easier in an environment of higher growth and lower inflation, caused by declines in oil prices.*

4.2 ~~Enhanced partnership with developing countries~~

Assisting developing countries to improve growth prospects
We must continue to pursue active and long-term

strategies for the management of global interdependence. In doing so, we must adopt different approaches for the different circumstances of different categories of developing countries. The poorer countries, those at or close to a subsistence level will need continued, indeed increased, assistance while others need, rather, to be more and more integrated into the world economy and the open trade system. Particular attention should be given to the need for developing countries to adopt growth-oriented policies and promote structural adjustment.

We must continue to encourage effective implementation of the "Program for Sustained Growth" for heavily-indebted middle-income countries, as a means of improving their growth prospects. This requires credible, growth-oriented reforms by the debtor nations, supported by enhanced lending from the international financial institutions and the commercial banks. Special efforts should also be made to address the needs of the poorest countries. The LDCs must be more integrated into the world economy and the open trade system.

favorable convergence of economic performance and exchange rates which

4.3 Improvement of the functioning of the international monetary system

More stable and efficient functioning of the international monetary system is indispensable for the steady expansion of world trade and investment. Recent coordinated efforts to attain ~~exchange rates~~ better reflect economic fundamentals have proved the effectiveness of close and continuous cooperation among major countries, as emphasized by the report of the G-10. This successful experience has given a new impetus to the improvement of the functioning of the international monetary system, ~~centered on the promotion of policy coordination among the major countries and the strengthening of international surveillance to this end.~~

4.4 Strengthening of the free trade system

Protectionist pressures are still high, ~~caused by disparity in growth, external imbalances, and delayed structural adjustment.~~ ^{All} Protectionist measures, ^{particularly those} outside the GATT framework, are a cause of particularly grave concern, ^{and by all contracting parties} and redoubled efforts are necessary to resist the ^{mounting growing} pressures for protectionism. ^{There is an urgent need to strengthen the} ~~to act in accordance with the~~ GATT, in order to promote non-discriminatory, multilateral trade. High GATT disciplines and to reinforce the GATT system in order ^{priority must be given to developing effective disciplines.} ~~to strengthen the free, non-discriminatory, and multilateral trading system.~~ In this context, Summit countries ^{should} ~~could~~ state the firm political will to ^{ensure the} ~~promote~~ success of the New Round and call on other countries to join them. ~~the New Round.~~

III. Specific Measures

The broad outline of policy orientations has been given above. More specifically, the following measures might be suggested.

A. Industrialized countries

5. Summit countries might:

5.1 reaffirm the importance of promoting prudent fiscal policies and appropriate monetary policies, bearing in mind their international implications, through

- = ~~reduction of budget deficits and~~ ^{and deficits} firm control of government spending ~~in a planned manner based on medium-term perspectives, taking into account the circumstances of each country~~
- = flexible management of monetary policy, taking into account the need for price stability, sustained growth, and exchange rate stability
- = pursuit ~~[of improved coordination]~~ of economic policies ^{designed to achieve convergence toward strong, non-inflationary growth, thus promoting an} ~~[in order to bring about exchange rates that better reflect the fundamental improved pattern of external imbalances and more stable economic conditions, including external exchange markets. Balances of payments;]~~

5.2 stress the need to implement effective structural policies across the whole range of economic activities to enhance the supply-side

responsiveness of the economy and to improve the potential for long-term growth ^{and job creation,} through

= elimination of economic inflexibilities and review of various regulations, ~~and~~ ^{and tax systems} subsidies, [^] so as to maximize the functioning of the market mechanism and encourage private initiatives and entrepreneurship

[= ~~promotion of structural adjustment in order to meet a changing economic environment and to enhance international harmony~~]

= liberalization of financial and capital markets

= recognition of the need to tackle the problems of social security in an aging society, an urgent issue facing all industrialized countries;

5.3

in particular, agree to explore every opportunity to promote the creation of jobs, based on the recognition that the persistently high levels of unemployment, especially youth and long-term unemployment, are a problem of the utmost gravity, with a view to fostering medium- and long-term economic vitality, through

= promotion of job-creating investment

- ~~= encouraging technological innovation and a positive adjustment policy responsive to changes in the economy~~
- = improved flexibility of the labour market, including improved labour mobility and flexibility in real wages
- = development of highly motivated human resources with enhanced adaptability by means of education, training and other measures.

B. Developing countries

6. Summit countries might:

6.1 stress the responsibility of developing countries to implement efficient and outward-looking economic policies, coupled with measures to mobilize internal resources and to make better use of the market mechanism, for their medium- and long-term economic growth, as well as to strengthen the confidence of the international community;

6.2 reaffirm the developed countries' commitment to contributing to developing countries' economic growth by attaining sustained non-inflationary growth, lower interest rates, ^{and continued} ~~improving~~ access to capital and goods markets and transfer of technology.

6.3

reaffirm their willingness to improve financial flows, in response to the self-help efforts of developing countries, through

and to use the new round of multilateral trade negotiations to develop understandings that will facilitate the flow of investment capital.

= expansion of official development assistance, particularly for the poorest countries, ~~wherever possible~~, and improved effectiveness and efficiency of aid

= ~~promotion of measures to~~ ^{an} increase ⁱⁿ the financial resources of the international financial institutions (particularly, replenishment of IDA VIII, ^{and if necessary a general} ~~general increase~~ ^{capital increase} ~~of the capital~~ for the IBRD)

= promotion of private financial flows, in particular, direct investment, including further efforts to establish MIGA

(Multilateral Investment Guarantee Agency)

6.4

reaffirm ~~[in the light of the aggravated character of the debt problem,]~~ commitment to ~~[the pursuit of the basic strategy for managing the problem and the need to strengthen]~~ new cooperative efforts, including U.S. initiatives on debt, through

= reaffirmation of the case-by-case approach in a spirit of cooperation with all the parties concerned

growth-oriented economic reforms in debtor countries

= emphasizing the continued central role of ~~the~~

= support by the IMF and an enhanced role for multilateral development banks, such as the IBRD, ^{and IDB,} and

closer cooperation among those institutions;
policy and procedural reforms within the
international financial institutions to
enable increased disbursements in support of
growth-oriented economic reform

= emphasizing ^{the importance of significant net new lending} increased cooperation by
commercial banks in ^{support of credible,} ~~the form of adequate net~~
^{growth-oriented reforms by the debtor} ~~new lending induced by increased~~
~~countries.~~
~~creditworthiness of debtor countries~~

= encouraging longer-term debt rescheduling
agreements between debtor countries and
commercial banks ^{when circumstances warrant;} readiness, where
appropriate, to negotiate further multi-year
rescheduling of debts to governments and
government agencies;

~~6-5 recognize the adverse effect of depressed prices
of primary commodities on the economic
management of many developing countries and
stress the importance of strengthening
international cooperation in the medium- and
long-term perspectives to ensure improved export
earnings, through
= promotion of structural adjustment
= promotion of R & D and improvement of
processing, marketing, and distribution~~

~~= reassessment of the existing international arrangements;~~

6.6

welcome the general improvement in the food situation in Africa; note in particular the need to help their medium- and long-term economic development, as well as to extend emergency aid; agree to extend further assistance and cooperation to Sub-Saharan African countries, who still face a number of economic difficulties, including structural food shortages, through

= steady implementation of measures identified in the Report on Aid to Africa ^{prepared after the} ~~approved by~~ Bonn Summit, the Foreign Ministers

~~= cooperation to make optimum use of IMF Trust Fund reflows for poorer countries, such as indebted African countries, with a view to promoting policy reforms~~

= continued cooperation with the Special Facility for Sub-Saharan Africa administered by IDA.

= strong support for the program for use of IMF Trust Fund reflows, in conjunction with World Bank resources, to assist low-income countries with protracted balance of payments problems to implement programs for structural adjustment and growth.

C. International Monetary System

7. Summit countries might

7.1 ~~welcome the G-10 Report on the improvement of the functioning of the international monetary system;~~

Our line here is that it is premature to draft any specific language.

- 7.2 assess the progress made in the Interim Committee in April, 1986, in connection with the reports presented by the G-10 and the G-24;
- 7.3 stress the importance of strengthening the effectiveness of international surveillance exercised by the existing fora;
- 7.4 reaffirm the commitment to undertake coordinated intervention in the exchange markets when to do so would be helpful.

D. Trade

8. Summit countries might:

8.1 reaffirm their political will to ensure the successful launching of the New Round ^{of multilateral trade negotiations} in September 1986;

Summit countries should also draw attention to the responsibility of the developing countries to contribute to better functioning of the multilateral trading system.

8.2 reaffirm their commitment to ^{resist protectionism and} ~~halting~~ ^{reduce and dismantle trade restrictions, noting that a key responsibility of the committee preparing for the New Round is to} ~~protectionism and reducing and dismantling trade restrictions, appreciate the OECD effort in this~~ ^{establish an effective mechanism for ensuring that countries live up to} ~~field~~ ^{this commitment.}

8.3 strengthen the system and functioning of the GATT to counter the threatened erosion and make the GATT more responsive to new developments stemming from changing patterns in world trade, ^{especially the growth of international trade in services.}

8.4 promote further trade liberalization, with particular emphasis on the interests of developing countries.

through structural adjustment,

8.5 encourage rational international division of labour through promotion of international investment and technology transfers, which would contribute to structural adjustments in each country, thereby lessening protectionist pressures.

and to that end, establish a framework for international investment and intellectual property rights.

E. Science and Technology

9. Given the crucial importance of science and technology to sound economic growth, as well as its unlimited potential for meeting future challenges to mankind, Summit countries might:

- 9.1 reaffirm the role of science and technology for job-creating dynamic growth and higher living standards;
- 9.2 take note of the report of the Technology, Growth and Employment Working Group, praising the work done by the Group in identifying the importance of science and technology for economic growth, and confirm the need for continued international cooperation;
- 9.3 welcome the results of the Symposium on Neurobiology hosted by the FRG.

F. Environment

10. In addition to reaffirming the importance of integrating environmental policies with general economic policies, Summit countries might:

- 10.1 continue to attach importance to international cooperation in pollution prevention and control and natural resources management; pay due attention to the need for environmental cooperation with developing countries;
- 10.2 take note of the activities of environmental experts in connection with the improvement and harmonization of techniques and practices of environmental measurement, and request the experts to report to the Personal Representatives in 1987.
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