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Versulla Summit SECRET PERSONAL MESSAGE

Ca Note Summit Note

Dear Margaret,

As our meetings at Versailles and Bonn draw near, I
want to share with you my own thinking about advancing our
efforts for a strengthened and more unified West. We all
approach the Summits with the understanding that peace,
prosperity, and security are indivisible. Our meetings,
therefore, should complement each other and represent a
set of shared goals.

I suggest that, at Versailles, we concentrate on three themes: more effective cooperation on economic policies to promote greater prosperity and market stability; concrete steps to strengthen the world trading system in order to counter rising protectionism; and progress in assuring that our economic relations with the East are consistent with our economic and security interests. I will also want to advance mutually beneficial relations with the developing world, and to discuss cooperative efforts on energy.

As you know, I am working with the Congress to establish the conditions for a healthy U.S. economy. At the same time, I remain strongly committed to cooperation with you to strengthen the global economy. Together, we can reduce inflation and improve prospects for increasing employment in our countries.

Strong and growing pressures for protectionism endanger our multilateral trading system. I suggest that we agree upon the priority areas on which the GATT Ministerial should focus this fall in an effort to improve the capability of the trading system to resolve problems old and new and to extend its principles to new countries, particularly developing countries.

On East-West relations we need to build on our Ottawa discussions. The financial situation of some Eastern European countries is putting major pressure on the international financial system. I hope that at Versailles we can agree to a common credit policy toward the USSR and a means to monitor credit flows to the East. Success here will enable us better to manage other aspects of East-West economic relations.

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Although economic subjects will dominate the Versailles agenda, I also look forward to the opportunity for informal discussions of East-West relations and other important issues. I also hope we can discuss how to reach out more effectively to the younger generations. We have proposed an initiative to increase exchanges among our younger people, which I think merits broad Western support and to which I will refer in my June 8 London speech on democracy.

Turning to Bonn, I foresee three basic themes: celebration of the values and vitality of the alliance, symbolized by Spain's accession; strengthened resolve to deal with threatening Soviet behavior, with particular emphasis on conventional defense improvements to reinforce deterrence and safeguard a secure peace; and our continuing commitment to progress in arms control.

We should leave no doubt that we share a common assessment of Soviet international behavior and confirm our insistence that constructive East-West relations can only be based on mutual adherence to the principles of restraint and responsibility.

Toward this end we must improve our ability to deter Soviet aggression or intimidation. Therefore, I propose that those of us participating in NATO's integrated military structure adopt at Bonn, in addition to the Summit declaration, a document underscoring our resolve to improve our conventional defenses as an essential contribution to the alliance's deterrent.

We will want to emphasize our dedications to progress in arms control, leaving no doubt that we offer the best program to achieve this objective. This Sunday I will announce our proposal to open START talks with the Soviet Union. Secretary Haig is communicating with your Foreign Minister with further details on this matter. I look forward to discussing our START objectives with you in June. I also hope we will be able to announce in Bonn NATO's intention to present new MBFR proposals, and to discuss our preparations for the U.N. special session on disarmament.

We will also want to show our sensitivity to world-wide aspirations for freedom and justice. This is particularly true of Poland and Afghanistan. We should reaffirm our measures against the Soviet Union and Polish regime if circumstances so dictate, while showing our willingness to join in a program of economic reconstruction for Poland if Western conditions are met.

By concentrating on these themes and working to enhance the quality of our consultations, I am confident our meetings will serve to strengthen the peace, lay the foundation for renewed prosperity, and provide more effectively for our collective security.

I look forward to seeing you next month and discussing these and other issues of mutual concern.

Sincerely,

Ronald Reagan

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