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PS TO PM. NO. 10 DOWNING STREET.

PRIME MINISTER'S

PERSONAL MESSAGE

SERIAL No. T230A/82

Subject on Econ Pol,  
Williamsburg Summit,  
Part II.

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OO WASHINGTON DESKBY 031500Z  
GRS 792  
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DESKBY 031500Z  
FM FCO 031300Z DEC 82  
TO IMMEDIATE WASHINGTON  
TELEGRAM NUMBER 2114 OF 3 DECEMBER  
ECONOMIC SUMMITS

h-a  
A-S-C-6/12

1. GRATEFUL IF YOU WOULD PASS THE FOLLOWING MESSAGE FROM THE  
PRIME MINISTER TO PRESIDENT REAGAN AS SOON AS POSSIBLE.  
BEGINS

THANK YOU VERY MUCH FOR YOUR LETTER OF 17 OCTOBER, WITH  
YOUR PRELIMINARY THOUGHTS ABOUT ECONOMIC SUMMITS. SINCE  
YOU WROTE, ALLEN WALLIS HAS BEEN IN LONDON, AND HAS TALKED  
WITH MY PERSONAL REPRESENTATIVE, ROBERT ARMSTRONG, ABOUT  
THESE MATTERS. YOU WILL THEREFORE KNOW THE GENERAL DRIFT  
OF MY OWN THOUGHTS: BUT I WANT NONETHELESS TO RESPOND TO  
YOUR LETTER.

MY THOUGHTS ARE VERY MUCH IN LINE WITH YOUR OWN. THE  
GREAT VALUE OF OUR ECONOMIC SUMMIT MEETINGS IS AS AN  
OPPORTUNITY FOR CANDID TALKS AMONG THE EIGHT OF US ABOUT  
THE GENERAL WORLD ECONOMIC SITUATION. WE CAN DISCUSS HOW  
WE CAN HELP EACH OTHER TO OVERCOME THE PROBLEMS WE FACE IN  
OUR OWN COUNTRIES: AND WE CAN WORK TOGETHER TO CREATE A  
CLIMATE WHICH WILL HELP TO BRING ABOUT IMPROVEMENTS IN  
THE WORLD ECONOMY.

OUR PEOPLE WILL EXPECT FROM OUR MEETINGS AN OUTCOME WHICH  
OFFERS HOPE THAT WE SHALL COME OUT OF THE WORLD ECONOMIC  
SITUATION WHICH WE ARE NOW EXPERIENCING. BUT ECONOMIC  
SUMMITS ARE NOT IN MY VIEW OCCASIONS FOR NEGOTIATING  
DETAILED AGREEMENTS ON SPECIFIC SUBJECTS: RATHER THEY ARE,  
AS YOU SUGGEST, TO DISCUSS OUR GENERAL APPROACH AT THE  
HIGHEST POLITICAL LEVEL. ANY DECLARATIONS WE MAKE SHOULD

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EMPHASISE FAVOURABLE DEVELOPMENTS AND TRY TO CHECK UNFAVOURABLE ONES. THEY WOULD THUS GUIDE AND INFORM THE SPECIFIC WORK OF MINISTERS RESPONSIBLE FOR ECONOMIC POLICY AND FOREIGN AFFAIRS.

TO THE EXTENT THAT POLITICAL AS WELL AS ECONOMIC ISSUES FIGURE ON OUR AGENDA, THE SAME CONSIDERATIONS APPLY.

LIKE YOU, I SHOULD LIKE TO MAKE OUR MEETINGS AS INFORMAL AND AS LITTLE STRUCTURED AS POSSIBLE, SO THAT WE CAN CONCENTRATE ON DISCUSSING THE REAL ISSUES RATHER THAN NEGOTIATING IN DETAIL OR ARGUING ABOUT WORDS IN A COMMUNIQUE. IF WE ARE TO ACHIEVE THAT, WE NEED TO BE ABLE TO GET AWAY FROM THE PRESSURES OF THE MEDIA. SOME PREVIOUS ECONOMIC SUMMITS HAVE TENDED TO BECOME SPECTACULAR EVENTS, WHICH HAVE ATTRACTED A LOT OF PRESS AND PUBLIC ATTENTION AND HAVE GIVEN RISE TO EXPECTATIONS WHICH THE MEETINGS THEMSELVES HAVE NOT ALWAYS BEEN ABLE TO FULFIL. ANYTHING YOU CAN DO TO REDUCE THE NUMBER OF MEDIA REPRESENTATIVES AT WILLIAMSBURG AND THE DEMANDS WHICH THEIR PRESENCE MAKES UPON US WILL BE APPRECIATED.

AS TO PRELIMINARIES, PAST EXPERIENCE SHOWS THE DANGERS OF OVER-METICULOUS PREPARATION. OUR OWN DISCUSSIONS MUST NOT BE FETTERED OR VIRTUALLY DECIDED BY WHAT HAS BEEN DONE IN ADVANCE. I THINK THAT WE CAN BEST ACHIEVE THIS IF THE PREPARATIONS ON THE ECONOMIC SIDE ARE PUT CLEARLY IN THE HANDS OF OUR PERSONAL REPRESENTATIVES.

IT SEEMS TO ME THAT THERE ARE THREE THINGS WHICH THE PREPARATORY PROCESS BY OUR PERSONAL REPRESENTATIVES NEEDS TO DO FOR US:

(1) IT SHOULD BE ABLE TO IDENTIFY THE MAIN ISSUES WHICH WE ARE LIKELY TO WANT TO COVER DURING THE COURSE OF OUR DISCUSSIONS, SO THAT WE CAN OURSELVES THINK ABOUT THEM BEFORE WE COME. THIS SHOULD NOT TAKE LONG.

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(II) IT SHOULD BE ABLE TO ESTABLISH POINTS ON WHICH THERE IS LIKELY TO BE GENERAL AGREEMENT AMONG US, AND WHICH WE DO NOT THEREFORE NEED TO DISCUSS IN DETAIL WHEN WE MEET, AND TO PINPOINT ISSUES ON WHICH THERE MAY BE DIFFERENCES OF VIEW WHICH DISCUSSION AT THE SUMMIT MAY HELP TO RECONCILE: THAT SHOULD HELP TO ENSURE THAT WE MAKE THE BEST USE OF THE LIMITED AMOUNT OF TIME WE HAVE TOGETHER AT THE SUMMIT MEETING ITSELF.

(III) WE CAN HARDLY MEET WITHOUT ISSUING SOME DECLARATION OR COMMUNIQUE THAT TELLS THE WORLD OF THE SUBJECTS WE HAVE DISCUSSED AND, AT LEAST IN GENERAL TERMS, WHAT CONCLUSIONS WE HAVE REACHED. I BELIEVE IT SHOULD BE SOON. PREPARATION SHOULD INCLUDE A FRAMEWORK FOR THE FINAL DECLARATION SO THAT THE ACTUAL DRAFTING OF OUR CONCLUSIONS CAN BE DONE QUICKLY. I DO NOT BELIEVE WE SHOULD GO INTO TOO MUCH DETAIL. IF WE CAN ALL AGREE ON THESE POINTS, AND IF OUR PERSONAL REPRESENTATIVES UNDERSTAND OUR MINDS ON THESE MATTERS, THEY OUGHT TO BE ABLE TO COMPLETE THEIR WORK IN A COUPLE OF MEETINGS.

ON THE POLITICAL SIDE OF THE AGENDA, I WAS VERY SATISFIED WITH THE APPROACH ADOPTED BY PRESIDENT MITTERRAND AT VERSAILLES IN JUNE, WHICH IN EFFECT WAS TO HAVE NO PREPARED DRAFTS, BUT TO ARRANGE FOR POLITICAL DIRECTORS TO BE AVAILABLE IN CASE IT WAS DECIDED - AS HAPPENED IN JUNE OVER THE ISRAELI INVASION OF LEBANON - TO ISSUE A STATEMENT OR COMMUNIQUE ON ONE OR MORE PARTICULAR POINTS.

THE WORLD RECESSION IS LONGER AND DEEPER THAN WE EXPECTED, AND THE WORRIES ARE CORRESPONDINGLY GREATER. I AM SURE THAT UNDER YOUR CHAIRMANSHIP WE SHALL SHOW THAT WE UNDERSTAND THE DANGERS AND FEARS AND THAT THE COUNTRIES WE LEAD HAVE THE CAPACITY AND THE DETERMINATION TO MEET THE CHALLENGE.

ENDS  
PVM

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PS/PUS

SIR J BULLARD

MR EVANS

MR THOMAS

ADDITIONAL DISTR  
ECONOMIC SUMMIT

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