

Subject: Econ Poi:
Indebtedness Pt 2



Prime Minister
Wellington
New Zealand

PRIME MINISTER'S

PERSONAL MESSAGE

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4 March 1983

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cc Master
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The Right Hon. Margaret Thatcher MP
Prime Minister
10 Downing Street
London SW1
ENGLAND

Dear Margaret,

Since our correspondence late last year concerning my proposals for a comprehensive examination of the trade and payments system, there has been a good deal of public debate on the question. A growing number of voices, and not just within the developing world, are now making very similar proposals. We have already seen the United States Secretary of the Treasury, Mr Regan, suggest that there was a need to lay the groundwork for an international meeting on trade and payments - only to withdraw it quickly when, as I see it, it became apparent he was rather too far in front of the consensus in the United States. I have been gratified that George Schultz seems to recognise that the improvement of the world economy is of overriding importance to US foreign policy objectives. Helmut Schmidt's recent essay in the Economist covers very similar ground to my proposals.

While remedial steps are taken to deal with immediate problems - the recent decisions on Fund quotas and the General Arrangement on Borrowing come into that category - this debate on the longer term issue of how we might build on the existing trade and payments institutions will continue. I expect it to figure very prominently in the forthcoming calendar of international economic meetings.

As part of that process of debate I am circulating to selected political leaders copies of my latest address on the subject. This was the address I gave in January to the European Management Forum symposium held each year in Davos, Switzerland. A copy is attached, for your information.

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I am taking the liberty of sending a copy to your colleague, Sir Geoffrey Howe, who, as Chairman of the Interim Committee, will play a key role in these matters.

With kind regards

Yours sincerely

A handwritten signature in dark ink, appearing to read "Robert A. Anderson". The signature is written in a cursive style with a long horizontal flourish at the end.