

Lord BridgesUS Draft Communique Language on East West  
Economic Relations

1. The following are the main points that arose at the quadripartite political directors' meeting this afternoon, which continued after you and Mr Bullard had to leave:
  - i. In the interests of brevity it was agreed that the second and third sentences of the US Draft Communique language (dealing with COCOM) should be dropped;
  - ii. there was lengthy discussion over the sentences referring to credits. Since the language in the US draft communique was obviously unacceptable to the French, it was at first agreed to base new language on the relevant section of the Luxembourg Communique. The US subsequently said that this did not go far enough and proposed new wording of their own including the words "regulate and review east west economic relations ...". The French objected to "regulate", and it was left that "regulate and" and a reference to "limits on" export credits should be left in square brackets;
  - iii. the last sentence of the US draft communique was amended at French insistence to avoid references to "western sources of energy" (did these include Indonesia and Venezuela?) and to "less reliable sources";
  - iv. a reference to Eastern Europe was added to the USSR in the first sentence;
  - v. the reference to the OECD was deleted and replaced at our suggestion by "among ourselves/with others".

/and

2. Mr Burt made quite clear during the meeting the very great importance that President Reagan attached to adequate wording on credit restraint; M. Andreani was equally clear that such language would be unacceptable to his Ministers. It was left that the French would circulate a revised draft, including the two sets of square brackets (informal text attached) and that Mr Burt would convene a further meeting later this evening when Mr Haig had had a chance to look at the new draft. As we left the meeting Mr Burt asked if we could do what we could to strengthen the French.

5 June 1982

cc: Mr Coles  
Mr Fall  
Mr Bullard  
Mr Fenn

*M H Jay*  
(M H Jay)