

Subject



de r
cc Master

10 DOWNING STREET

From the Private Secretary

SIR ROBERT ARMSTRONG

London Economic Summit

The Prime Minister held a meeting this morning to consider the arrangements for the Economic Summit. The Foreign and Commonwealth Secretary, the Chancellor of the Exchequer and you yourself attended.

There was some discussion of the consideration by the Summit of international political issues. It was noted that President Mitterrand had reservations about this. Our objective should be to make it clear that, depending on international developments, a political statement, separate from the economic statement, might have to be issued by the Summit. In any case Foreign Ministers would be bound to discuss a number of political issues. The Foreign and Commonwealth Secretary would prepare a list of such issues for circulation in May.

The Chancellor of the Exchequer said that he proposed to send to the Prime Minister before Easter a note on points on which the Summit could usefully focus from the point of view of British interests. Work was still being done on the note but it would probably cover subjects such as general economic policy, the US deficit, protectionism, Japan (especially liberalisation of the Japanese capital market) and the international debt situation.

It was agreed that work should be done on the possibility of British initiatives at the Summit. Possible candidates were the liberalisation of capital markets and services, the problem of the burden of expenditure on social services, the further deregulation of air transport, the harmonisation of international standards and the lifting of export subsidies in the context of world trade revival.

Ministers would meet shortly after Easter to consider a paper on possible British initiatives. It may be necessary to envisage a wider meeting than that held today and I should be grateful for your recommendations as to participation in due course.

It was agreed that you would amend the thematic paper annexed to your minute of 21 March in order to provide pegs for possible British initiatives. The draft could then be circulated to other Personal Representatives.

/ The Prime Minister

NR

CONFIDENTIAL

- 2 -

The Prime Minister asked that the briefs for the Summit should include a note on the protectionist measures adopted by all states represented at the Summit.

I am copying this minute to Mr. Bone and Mr. Kerr.

23 March 1984

CONFIDENTIAL