

President of Council.

(1)

Timeline for construction.

Thorn

Uncertainty - ? What about Trade etc.
 E.F.C. / U.S. - 2 issues sorted out.
 GATT - result all right.
 Japan. - 5 members of U.S. school.

Inland E.R. - Investment.
 Convergence.
 New technology.
 Political fit - serious risk.

- budget point
 '83 - bad year - D.E.C. - determined?
 Union say should be / the inflation.
 E.R.C. Netherlands U.K.

Inflation too high.

Review of competition - not yet sufficient.

Too few new jobs being created
 U.K. - start adjustment.

Waiting for American recovery.

Sit in developing countries.

Reorganization of debt - we suffer
 - no new trade.

1. Productive investment
2. Research - development in certain sectors. [-ii.]
3. Domestic market - Consolidate. - everyone protection etc.
4. Timeline - No new external markets - investment without markets

Ontario

(2)

Business cycle less favourable

F2 - year without growth

F3 - worse than we expected - less than $1\frac{1}{2}\%$

- inflation falling - i. sound basis for return to growth.

Now dealing with disinflation.

'Normal' budget deficits

- demand slowing down of U.S. even in Japan.

- right not to stimulate - price demand

- Int debt. - Cont change in def. policy

- surplus disappear - OPEC.

- debt in developing countries.

- commodity prices down.

Int. expansion (part) increase - world bank

No some of recovery. 6-8% a year.

If no confidence in market - no investment

Business - decline of pessimism.

- absence of demand - problem structural →

Is a new demand not cyclical.

Int. trade provides goods substitutes

Rapid overvalued exchange rates

Competitiveness vital

Difficult to create
creating solid achievements.

Identify problems - then tackle them.

Pressure fight against - inflation resolutely.

Ontario - June - a warm wind blowing

to you.

- how to fight inflation. Have to have
an upside.

1) Fight inflation - no easy solution
2) Competitiveness 3) High technology.

4) Monetary stability - international

3

5) Interest rates

6) Differences in exchange rates

Dollar will go down.

inc. in 4.5% in one year - dollar shock

\$ - currency of world. - effects price of energy

U.S. - deficit - balance of payments

Japan - great balance - wedge

+

∴ drop in Europe

In fact - stability - sustainable drop in

interest rates.

Uncertainty lead for business.

Own Action - Strengthening monetary system

- No competitive devaluation.

- Close links with Austria, Sweden, Norway.

- COMMON THINKING.

Developing Countries - IMF quotas increase.

Barley - half developed countries debt.

Rebirth - Don't supply if out of hand adjust investment - if to keep downward

movement - don't go beyond what is necessary. Interest rates fall.

Allow deficit slightly to reflect business cycle.

Demands - if other possible

- ① NATIONAL ACTION - ^{Many 1/2 way} ^{between other countries} ^{Protection - -} } 4
- ② GATT. - Internal Market. Techniques:
Production 1 unit.
New. units
- ③ New technologies - new demand
- it exists. Let's exploit it.
Not meeting technology in GATT
- ④ Investment in small & medium size co's

Greece - Same strategy as Ontario.
 - No solution 1929-33 - Overcome by
 reformation of demand
 Infl. - unemploy. - migration.
 Reorientation of Europe in post-war world.

Netherlands
 "We protect where necessary"
 We combat protectionism with protectionism.

Apartment laws various - series of
 other various
 Health of persons & animals.
 Protection against heat/cold
 "Fascist" protects their French!

France used to abandon protectionism.
 F.R.G. accusing France of

General protectionist - kind - can disappear
 with honest broker

European internal market ^{from} ^{study}
 GATT - ^{protection} ^{system} ^{protection} ^{now} ^{outside}

Attitudes

- who attracts free trade concept prominently - not the Community of any real meaning

No way with internal.

Agree mainly with outside world

Absence of certain types of protection we would like to have.

New Community Instrument:

We need money

Already have cash box - let's use it.

Not any old investment not - abroad investment.

Warning about steel.

Energy - transport - electronics

- room for study.

? Airbus? - Priority not only airplane.

Not necessary to compete with U.S.

out of vulgar national pride.

French cars reach more successful position than Japanese.

Need productive - industrial investment.

Need European investment.

New needs - not yet clarified.

Modernism: too much or you have
capital investment. which
impoverishes industry.

Hong-Kong - village in France sells
stuffs & handkerchiefs to H.K.

No such thing as vector which is lost.

I don't think that wear where product - will succeed.

Outside world - U.S. in particular.

Asking like a bull in a china shop.

Market - sharp currency.

- often caught between

DM & \$.

can be ruined by producing raw materials.

Work on basis of neutral respect rather
than survival of the fittest.

Not only U.S. - enjoy company of
Americans, prefer them to most others!

N.A. alliance. - strategic considerations

White against U.S. - Community must not be
pushed around.

2nd world

Double IMF effort.

Int. Int.
Community

- U.S. too dominant -
countries 3rd world will be buying anything

intelligent joining to 3rd world
for Europe.

2

We have military problems.

Few Socialists here as liberal as the British.

All in favour of political democracy.

Consciousness of European identity too much absent.

War in the red crisis.

Another the crisis of decolonisation

There 2 much worse than anything today

Werner - Reports of EMS complete
throughout.

Belgium,

① Co-ordⁿ of EC Policies

a) EMS - anchor

b) Investment - investment to, Outlook.
w/ investment.

c) To stem loss of jobs
withholding

25,000 new jobs a year

Scrapped welfare - cut back real pay.

4.6% this year further 2.7% next year

cut back working week to bring
about 3% increase in jobs without
