

29 April 1983

Dear John,

Joint Meeting of Trade and Finance Ministers

You may find it useful to have a note of the latest position on the projected meeting of Trade and Finance Ministers on 10-11 May.


As you know, the invitation to the meeting was jointly issued by the US Treasury Secretary, Mr Regan, and the US Trade Representative, Mr Brock, in a message to participants on 7 April. The initial invitation envisaged a dinner on the evening of 10 May followed by a meeting on 11 May. Mr Brock had issued a separate invitation to a meeting of Trade Ministers only for 29 April. A separate meeting of Finance Ministers of the G7 countries had been arranged for the margins of the Development Committee in Washington.

After discussion in the European Community and the meeting of Personal Representatives on 16-17 April, it was decided that the meeting of Trade Ministers only should be on a quadrilateral basis, that is involving the US, Japan, Canada and the European Community represented by the Commission. We understand that this has been taking place today, as is the meeting of Finance Ministers in Washington. After indicating that the French Finance Minister would not be able to attend the Washington meeting, the French Government subsequently decided that M. Delors would nevertheless attend.

The position on the joint meeting of Trade and Finance Ministers remains unclear. The French Government has said firmly that it will not attend. The European Commission have told us that it would only attend the dinner on certain conditions, namely that it should be informal, should not result in any formal conclusions, should not constitute a preparation for Williamsburg and that the plan to hold a further meeting on 11 May

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should be abandoned. The Commission have also told us that the Italians have decided not to attend and that the Germans would be represented at official level only. We have no direct confirmation of this report from Rome or Bonn. The Japanese earlier told us that they would be represented by the Minister of International Trade and Industry and the Vice Minister of Finance. But we have no indication of the Japanese or Canadian intentions in the light of the latest news both from Paris and the EC.

After initial discussions in the Community and the Personal Representatives, the UK told the US that we would be represented at the joint meeting by the Chancellor and the Minister for Trade. Since then we have told the Commission that it is still our intention at present to attend without conditions.

Our objective in all this has been to respond constructively to the US initiative without getting out of step with our Community partners. The balancing act seems to be getting more difficult. At official level, the inclination here is to leave a little time for the situation to clarify before deciding whether our position needs to be reviewed; and I shall be reporting this to Mr Pym on the lines of the above.

I am sending copies of this letter to John Rhodes (Department of Trade), John Coles (No 10), and Richard Hatfield (Cabinet Office).

John Coles


(B J P Fall)
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