

FOEC 015/07

OO UKREP BRUSSELS
GRS 367
UNCLASSIFIED
FM F C O 071730Z JUN 83
TO IMMEDIATE UKREP BRUSSELS
TELEGRAM NUMBER 329 OF 7 JUNE
AND TO INFO SAVING WASHINGTON, UKNIS NEW YORK

YOUR TELNOS 2151 AND 2152 : WILLIAMSBURG
1. PLEASE PASS FOLLOWING MESSAGE FROM PRIME MINISTER TO
PRESIDENT OF UNICE (EMPLOYERS)
BEGINS

THE WILLIAMSBURG ECONOMIC SUMMIT
THANK YOU FOR SENDING ME A COPY OF YOUR MESSAGE TO SUMMIT
PARTICIPANTS. IT ARRIVED SO SOON BEFORE THE SUMMIT ITSELF THAT
I THOUGHT IT WOULD BE MORE HELPFUL TO REPLY AFTER THE WILLIAMSBURG
MEETING.

YOU WILL NOW HAVE SEEN THE TEXT OF THE WILLIAMSBURG
DECLARATION ON ECONOMIC RECOVERY. I THINK YOU WILL FIND IN IT
COMMITMENTS AND AGREEMENTS WHICH COVER THE ACTION POINTS SET
OUT IN YOUR MESSAGE. AS THE CHANCELLOR OF THE EXCHEQUER SAID
IN HIS PRESS CONFERENCE AFTER THE FORMAL MEETINGS AT WILLIAMSBURG
HAD ENDED, THE UNITED KINGDOM BELIEVES THAT GROWTH CAN COME AND IS
COMING FROM THE RENEWED VITALITY AND CONFIDENCE OF BUSINESS AND
INDUSTRY. THIS IS PARTICULARLY TRUE OF BUSINESS IN THOSE
COUNTRIES LIKE THE UNITED KINGDOM WHICH HAVE HAD SOME CON-
SIDERABLE SUCCESS IN REDUCING INFLATION. IN OUR CONCERN TO
SUSTAIN THE RECOVERY, TO PROMOTE CONVERGENCE OF ECONOMIC
PERFORMANCE AND GREATER STABILITY OF EXCHANGE RATES AND TO PURSUE
BALANCED FISCAL AND MONETARY POLICIES, THE SUMMIT HAS REACHED
AGREEMENTS WHICH SHOULD PROVE OF LASTING VALUE TO BUSINESS AND
INDUSTRY. I THINK YOU WILL WELCOME THE COMMITMENT TO HALT AND
REDUCE PROTECTIONISM AS THE ECONOMIC RECOVERY GATHERS STRENGTH.
IN THIS CONTEXT WE BELIEVE THAT THE BENEFITS OF THE RECOVERY
SHOULD BE SHARED BY DEVELOPING COUNTRIES THROUGH A STRENGTHENING
OF THE OPEN TRADE SYSTEM AND A GENERAL INCREASE IN THE LEVEL OF
WORLD TRADE. THIS PROCESS IS ALSO VITAL FOR THE FUTURE OF
EXPORTERS IN EUROPE.

I DO NOT SHARE THE VIEW THAT THE STRUCTURE OF THE INTERNAT-
IONAL FINANCIAL SYSTEM IS FRAGILE. THERE IS, OF COURSE, NO
ROOM FOR COMPLACENCY IN VIEW OF THE STRAINS WHICH INTERNATIONAL
INDEBTEDNESS HAVE IMPOSED OVER THE RECENT PAST. NEVERTHELESS
I HOPE THAT THE CONFIDENCE, WHICH THE SUMMIT PARTICIPANTS WERE
ABLE TO EXPRESS IN THE EMERGING RECOVERY, WILL BE A SOURCE OF
ENCOURAGEMENT AND INCENTIVE TO YOUR MEMBERS.

ENDS
4. THERE IS NO (NO) SIGNED ORIGINAL TO FOLLOW.

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SENT AT 07/1902Z PEJ