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PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T83A/83

OO BOGOTA
GRS 483

UNCLASSIFIED

FM FCO 071730Z JUNE 1983

TO IMMEDIATE BOGOTA

TELEGRAM NUMBER 99 OF 7 JUN

AND TO INFO SAVING WASHINGTON, UKMIS NEW YORK, MEXICO CITY,
CARACAS, PANAMA CITY, SAN JOSE, TEGUCIGALPA, MADRID, OTTAWA,
AND EC POSTS.

YOUR TELNOS 105 AND 106 : WILLIAMSBURG

1. PLEASE PASS FOLLOWING MESSAGE FROM PRIME MINISTER TO
PRESIDENT BETANCUR.

BEGINS.

THE WILLIAMSBURG ECONOMIC SUMMIT

THANK YOU FOR YOUR MESSAGE TO THE PARTICIPANTS AT THE
WILLIAMSBURG ECONOMIC SUMMIT. IT WAS USEFUL TO HAVE YOUR PERSON-
AL REFLECTIONS WHICH ALSO REFLECTED THOSE OF THE SUMMIT OF
LATIN AMERICAN AND CARIBBEAN ECONOMIC EXPERTS. IT ARRIVED SO
SOON BEFORE THE SUMMIT ITSELF THAT IT SEEMED MORE HELPFUL TO
REPLY TO YOU ONCE THE SUMMIT HAD TAKEN PLACE.

I FULLY SHARE YOUR VIEW OF THE INTERDEPENDENCE OF THE WORLD

ECONOMY. THE WILLIAMSBURG SUMMIT WAS NOT OF COURSE INTENDED TO
DESIGN A PLAN FOR GLOBAL RECOVERY. BUT IT DID CONSIDER AND AGREE
UPON THE OVERALL FRAMEWORK WITHIN WHICH THE EMERGING RECOVERY IN
THE INDUSTRIALISED NATIONS CAN BE SUSTAINED AND SPREAD TO OTHER
PARTS OF THE WORLD. WE BELIEVE THAT FROM THE STANDPOINT OF THE
DEVELOPING COUNTRIES, AND LATIN AMERICA IN PARTICULAR, IT IS
VITAL THAT THE RECOVERY IN THE DEVELOPED NATIONS SHOULD BE SOUND
AND THAT ITS BENEFITS SHOULD BE SHARED WIDELY THROUGH AN INCREASE
IN INTERNATIONAL TRADE AND A STRENGTHENING OF THE OPEN TRADING
SYSTEM. I AM SURE THAT YOU AND YOUR COLLEAGUES IN THE LATIN
AMERICAN ECONOMIC SYSTEM WILL AGREE WITH THIS.

TO ACHIEVE THIS AIM THE WILLIAMSBURG SUMMIT REACHED A SERIES
OF IMPORTANT AGREEMENTS AND COMMITMENTS WHICH ARE RELEVANT TO THE
POINTS OF CONCERN WHICH YOU MENTION IN YOUR LETTER. THE SUMMIT
CONSIDERED THE CONDITIONS FOR IMPROVING THE INTERNATIONAL
FINANCIAL SYSTEM INCLUDING THE PART WHICH MIGHT IN DUE COURSE
BE PLAYED BY A HIGH-LEVEL MONETARY CONFERENCE. YOUR PROPOSALS
WILL OF COURSE BE A TIMELY CONTRIBUTION TO THIS TASK.

THE SUMMIT PARTICIPANTS BELIEVE THAT THE WILLIAMSBURG
DECLARATION ENUNCIATED A COHERENT STRATEGY WHICH WILL BRING THE
BENEFITS OF RECOVERY TO THE WORLD ECONOMY. CONDITIONS OF MORE
STABLE EXCHANGE RATES, LOWER INFLATION RATES AND PUBLIC DEFICITS
SHOULD NURTURE THE EMERGING RECOVERY. ON MORE DETAILED POINTS
THE SUMMIT RECOGNISED THE IMPORTANCE OF THE ROLE OF NEW TECHNOLOGY
IN ACHIEVING ECONOMIC GROWTH AND ALSO THE NEED FOR CONTINUED
ACTION TO REDUCE DEPENDENCE ON OIL. IT WAS NOT THE PURPOSE OF
THE SUMMIT TO LAY DOWN SPECIFIC POLICIES IN THESE AREAS BUT
RATHER TO AGREE ON GENERAL POLICY DIRECTIONS.

I BELIEVE THAT THE PRINCIPAL MESSAGE FROM WILLIAMSBURG IS
ONE OF NEW CONFIDENCE IN THE PROSPECTS FOR RECOVERY. THE
PARTICIPANTS WERE VERY CONSCIOUS OF THE NEED TO SPREAD THE
BENEFITS OF THIS RECOVERY MORE WIDELY TO THE DEVELOPING COUNTRIES
BY STRENGTHENING THE OPEN TRADING SYSTEM. I AM GRATEFUL TO YOU
FOR SHARING YOUR THOUGHTS WITH ME AND I AM CONFIDENT THAT THE
OUTCOME OF THE SUMMIT WILL BE SEEN TO HAVE BEEN POSITIVE AND
CONSTRUCTIVE.

ENDS

2. THERE IS NO (NO) SIGNED ORIGINAL TO FOLLOW.

PYM

NNNN

SENT AT 07/2118Z DM