

Jonathan DAVIDSON file

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From the Private Secretary

20 November 1986

FOUNDATION FOR THE COHESION OF THE WEST: 21st CENTURY TRUST

I enclose some correspondence which Bernard Ingham has received from Jonathan Davidson (ex-FCO), Washington Director of the James F. Byrnes International Center of the University of South Carolina, about the proposed formation of a Foundation for the Cohesion of the West. This would apparently be associated with the 21st Century Trust, already established in the United Kingdom. As you will see, there seems to be a possibility that President Reagan will raise the matter at the 1987 Economic Summit.

I should be grateful for any information you have about this enterprise, the form in which it might arise at the Economic Summit, and the links which it would be appropriate for HMG to have with it.

Charles Powell

A. C. Galsworthy, Esq., C.M.G.,
Foreign and Commonwealth Office.

DSS

1. SIR ROBERT ARMSTRONG

*not seen before
Australia. m*

→ 2. MR POWELL



FOUNDATION FOR THE COHESION OF THE WEST

You should be aware of the attached correspondence. The projected Foundation was drawn to my attention while I was at the University of South Carolina.

Sir Robert will be interested from the point of view of the Sherpas' meeting.

Mr Powell may wish to take this over and get in touch direct with Jonathan Davidson in order to ensure consideration of the idea is conducted through the appropriate channels.

BERNARD INGHAM
5 November 1986



UNIVERSITY OF SOUTH CAROLINA

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JAMES F. BYRNES INTERNATIONAL CENTER

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October 23, 1986

Mr. Bernard Ingham
Press Secretary
to the Prime Minister
10, Downing Street
London SW1

Dear Bernard:

Foundation for the Cohesion of the West

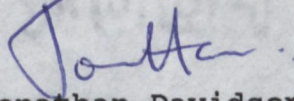
I promised to let you have details of the recent meeting with President Reagan at which a new private foundation for the cohesion of the West was discussed. I enclose a record of the meeting, together with the list of those present and others associated on the American side with this initiative.

You will see on page five of the record the reference to bringing this up at the next Economic Summit. In making this suggestion, Mr. Wick referred to the apparently successful reference in a Summit communique to the International Youth Exchange scheme, and suggested a similar reference to this initiative -- which is multinational in scope -- at the 1987 Summit. President Reagan responded enthusiastically to this suggestion. It remains for discussion who in fact should raise the issue and in what terms. One suggestion is that, since the first foundation to be established is in Britain, it might be most appropriate for it to be raised on the British side. Among trustees of the British foundation are Lord Home, Mr. Callaghan, Lord Whitelaw and Sir Michael Palliser. The key mover is Sir David Wills. As you can see, although the initiatives in both countries are in the private sector, senior government representatives are involved in both cases.

For your further information I have enclosed a brief description of the American foundation, to be provisionally called the United States 21st Century Foundation. There is considerably more documentation if you wish, but rather than burden you with this at this stage I feel that the two-page description may suffice. If you wish to have more details, however, I will be glad to send them.

When you have had a chance to review this and to consult whoever you may feel needs consulting, I will be glad to pursue the question with the American side including the White House and the USIA as well as those in the private sector involved over here. Any comments or reactions you may have will be welcome and of course I will be glad to supply any further details that you may wish.

Sincerely,



Jonathan Davidson

Enclosures

October 13, 1986

INTRODUCTION

The unity of the West is a first priority for the Atlantic nations, Japan, Australia, and New Zealand. The present network of alliances and partnerships was molded with great effort, but could come apart if fresh and continuing steps are not taken to maintain cohesion and cooperation. This is not just an urgent job for governments, but also for private initiative.

To an important extent, Western unity over four decades has been a product of nonprofit, independent undertakings by foundations, research institutes, study groups, exchanges organizations, cultural bodies, educational institutions, and friendship associations. Privately, such groups created, nourished, and communicated new ideas; they studied the public problems of the West and sponsored vast educational interchanges; they strengthened democracy; they contributed to the growth of "we-feelings" among peoples and leaders.

But this private work of community-building has declined in recent years, as the funds available from governments, foundations, generous individuals, and businesses shrank. A "generation gap" has also arisen; many younger leaders have little knowledge of or commitment to the tested principles on which the postwar system among free peoples was founded. Furthermore, the Western system is expanding towards the Pacific and new democratic stirrings in other parts of the world call for an enlargement of horizons. Relevant education, research, and interchange of peoples and ideas must be undertaken on a new, much larger scale. The

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network of private voluntary organizations that study, analyze, promote, support, and feed the unity, values, and understanding of all modern peoples requires reinvigoration; new initiatives must also be developed. This task necessitates substantial new funds, urgently.

Recent experience shows that neither governments nor existing foundations and enterprises can be counted on to provide the large, sustained flow of money and encouragement that will be required.

Without delay, one or more new private foundations should be created to make grants in perpetuity in this vital sector. The first such foundation, the "21st Century Trust", is now in formation in the United Kingdom. We, the undersigned, have determined that such a philanthropic foundation should also be established in the United States. Substantial capital will be necessary; we intend that it should come from sources as yet untapped for such purposes.

It is our hope that private forces in other countries may wish to take parallel steps. Our broad aim is to establish a private, multinational, articulated group of grant-making foundations working towards a common goal: to enhance the cohesion, dynamism, mutual loyalties, and free way of life of the Western community of nations and peoples.

PLANNING GROUP FOR A FOUNDATION FOR THE COHESION OF THE WEST

Summary Record of First Meeting

The White House, Washington, D.C.

Thursday, September 25, 1986 at 12:00 Noon

Note:

The members of the Planning Group were originally invited jointly by President James B. Holderman of the University of South Carolina and Lawrence S. Eagleburger, Chairman of the University's International Advisory Board and President, Kissinger Associates, to join a working lunch at the International Club to consider the possibility of establishing a private foundation for the cohesion of the West. Upon the decision of President Reagan to meet with the group at 1:00 p.m., it was decided to move the meeting to the White House. In Mr. Eagleburger's absence owing to ill health, the Honorable William E. Brock, III co-chaired the meeting with Dr. Holderman.

Summary Record of Meeting

Dr. Holderman called the meeting to order at 12:00 noon. He welcomed the group to the meeting, and expressed the regrets of those members who wished to be associated with the initiative but were unable to be present on this occasion. The list of the members of the full Planning Group is attached to this record.

Dr. Holderman explained that the present initiative arose from one of the recommendations of a Conference on the Future of the Western Community* at the University of South Carolina in October 1985. The Conference called for the appointment of a special committee to consider steps necessary to deepen the commitment of resources for programs to support Western cohesion, including the creation of one or more large foundations. Following the Conference, one such foundation, the 21st Century Trust, was being established in the United Kingdom with a distinguished group of trustees including two former Prime Ministers. After consulting with a number of concerned individuals, Lawrence Eagleburger and he had concluded that it was now time to consider the establishment of a similar foundation in the United States. The purpose of the present meeting was to discuss such an initiative and decide whether or not to go ahead. Dr. Holderman suggested that the group try to reach some general understandings as to the merits of the proposal prior to the arrival of President Reagan, and that if it was decided to go ahead, some specific steps might be discussed after the President's departure. Dr. Holderman then invited Mr. Brock to assume the Chair.

Mr. Brock said that he had a long-standing interest and concern for this issue. Cohesion in the West was gradually being lost partly due to generational changes. The British had recognized the importance of the issues at stake in establishing the 21st Century Trust. The Western Community required new initiatives to prevent further drifting apart and there was no other large philanthropic organization, to his knowledge, specifically addressing this need. He felt the concept of a major new private foundation to be remarkably exciting. He called on Mr. James Huntley, Consultant to the University, to explain the proposal as described in the briefing book which had been circulated to the members of the Planning Group.

Mr. Huntley said that, important as the role of governments had been historically in the development of the Western Community, there had always been a crucial role for private initiative, especially in formulating the concepts of the Community, developing its institutions, private as well as public, and nurturing its leadership.

* At the Conference, as in this document, the term "Western Community" is used to denote the democracies of the Atlantic and Pacific, bound together by common interests and shared values, i.e., in general terms the OECD grouping of nations.

There had been a dramatic decline in the commitment of funds by the private U.S. foundations to international work, from 21% of all grants in 1966 to 3 1/2% in 1980. Government support for private initiatives had dropped even more dramatically. There was an increasing tendency, moreover, for private funds to be directed towards specific projects, thus placing further pressure on the declining funding base for institutional support. Mr. Huntley gave examples of worthwhile organizations which had either suffered extinction or whose survival was threatened through lack of financial support. The proposed new foundation would need to be sufficiently well endowed to make a major long-term impact through judicious grant giving to non-governmental organizations dedicated to maintaining the fabric and common bonds of the West.

Sir David Wills was invited to describe the progress made so far in the United Kingdom. He said that the stated purpose of the 21st Century Trust was to strengthen the relationships which united the free societies and their friends, "bonds which must be continually repaired, fostered, and enriched in the decades to come if these nations are to be able to continue to live in peace and in freedom." Among the trustees were Lord Home, a former Conservative Prime Minister and Mr. James Callaghan, a former Labor Prime Minister, as well as the present leader of the Social Democratic Party, Dr. David Owen. Other trustees included distinguished figures from educational, cultural, business and philanthropic fields. In line with the international thrust of the initiative, there were several American trustees. It was envisaged that the various foundations to be set up in different Western countries under this initiative should have interlocking boards of trustees, although each foundation would need to have a national identity for legal purposes.

The 21st Century Trust hoped shortly to enlist the services of two distinguished public servants, Sir Kenneth Stowe and Sir John Thompson, as salaried executives. In parallel with efforts to raise the necessary substantial endowment, it was hoped to seek short-term funds of up to three million pounds for demonstration grants to enable the foundation to become operational, setting a pattern for the kinds of activities that it would be able to undertake in the long term.

The Chairman then opened the meeting for general discussion, which focused on three broad areas: 1) the underlying purposes of the proposed new foundation; 2) its distinguishing characteristics; and 3) the steps required to take the initiative forward.

Underlying Purposes

Members of the Planning Group felt that the threats of 30 - 40 years ago which had forged consensus in the Western Community were beginning to be forgotten and that new issues diverted attention from the purposes which had originally drawn the Community together. As new issues had emerged, so had a new generation of leadership which was increasingly diffuse and divergent as regards any sense of common values and shared purposes. With the 1940's era now

firmly in history, several members of the group observed that it was increasingly difficult, especially in the Western Pacific and in Western Europe, to argue the "Western cause." Opportunities for dialogue and meaningful exchange within the Community had sharply declined. Although discussion of common goals often took place at the upper reaches of the Community, there was a severe lack of means to disseminate their conclusions to the Community at large or even to the aspiring ranks of successor leadership. Two members of the Planning Group who had held prominent political leadership positions described the crucial role that extended overseas exchange schemes had played in their personal career development and regretted the much diminished opportunities presently available to newly emerging leaders.

Discussion also focused on the geographical range of the Community. When the current institutions of the Western Community had been established in the 1940's and 1950's, the emphasis had largely been on the Atlantic Alliance. The importance of the countries around the "Pacific Rim" was now widely recognized, and it was necessary to focus serious and purposeful attention on defining the Western Community in terms relevant to the future rather than the past, i.e. as a growing, dynamic grouping of nations and peoples. Less and less is geography the touchstone of what is "Western."

It was observed that although the proposed new foundation would have a single and closely-defined purpose, its concerns would be broad and its mandate large, no less than to seek to renew the strengths and sense of unity, and to reinforce the underlying purposes of the West.

Distinguishing Features of the Proposed Foundation

In further discussion, members of the Planning Group called for analysis of the activities of private sector organizations dedicated in one way or another to strengthening Western cohesion. It was pointed out that some studies had already been undertaken* and could usefully be reviewed. In the meantime it would be necessary in drawing up the charter of the proposed foundation to describe its purposes very specifically, to delineate its unique role in promoting Western cohesion, as distinct from the role of other private foundations. There was no room for duplication of effort. However, if, as the members of the Planning Group were inclined to feel, there was a serious gap in current efforts to promote Western cohesion, this, too, would need to be clearly described.

It was also observed that the proposed new foundation would be exclusively a grant giving, not an operational, organization. Its primary purpose would be to underwrite worthwhile organizations involved in promoting Western cohesion, to encourage and support those with prospects of contributing significantly to this cause.

Members of the Planning Group considered whether existing foundations could be encouraged to devote more resources to the cause of

* e.g., by the Battelle Memorial Institute, 1983.

Western cohesion. In discussion, it was felt that the major new foundation, once established, would in time, by example, tend to encourage other foundations to follow suit. However, there was felt to be little prospect of existing foundations changing their present course substantially, in the absence of a lead from a truly significant new philanthropy dedicated exclusively to this purpose.

Other distinguishing features of the new foundation, it was observed in discussion, were its interlocking international leadership feature, believed to be unique, and its dedication to the long-range future of the Western Community. Members of the group stressed the importance of such a philanthropy promoting imaginative new concepts and fresh approaches. The new foundation should not be stultified by conventional precepts and should be forward-looking and visionary in outlook.

Turning to implementation, the group felt that, provided a strong enough case could be established for such a foundation, the necessary resources were available to be tapped. Potential donors would clearly need to be approached in a way that would endear them to the purposes of the foundation. Much thought and care would need to be devoted to approaching prospective donors. Among tactics to be considered was the possibility of an umbrella foundation with several specified funds each identified with an individual donor. While discussion of specific tactics was for the future, in general it was felt that an approach to one or a small group of up to five or six very wealthy individuals who had not so far made their major philanthropic commitment would be preferable to a broad-based appeal for contributions, which would run the risk of competing for funds with the very organizations that the new foundation was designed to serve. In other words, the new foundation should tap new sources of wealth, not compete for funds within the existing "philanthropic pie".

Discussion with President Reagan

On the President's arrival, the Co-Chairmen outlined the purpose of the Planning Group and the progress it had made so far.

The President said that the Atlantic Alliance and the broader community with our friends in the Pacific formed the indispensable heart and core of any serious effort to protect and extend democracy and the free way of life. He commended the Planning Group's initiative in seeking to project the free Western vision into the 21st century as a "vital task." Although governments have an important role to play in promoting this vision, the capacity of the US Government to play its full role in this constructive work was in jeopardy, with the drastic reductions made by Congress in the foreign affairs budgets of the US. It was therefore more than ever necessary for non-governmental forces in the Western world to play the fullest possible role in building a strong community of the free. The President said that in his view the Planning Group's initiative was not only for a strategic and noble purpose, but that the means chosen was entirely appropriate. It was in the spirit of a great Western tradition for private citizens to serve important purposes of the

community on their own initiative. The President therefore commended both the goals and the suggested means of implementing the purposes of the group, and gave it his strong personal endorsement.

In response to a suggestion by Mr. Charles Wick, the President said that he would be glad to consider discussing the proposed initiative with his colleagues at the 1987 Economic Summit in Italy, with a view to an endorsement by the Summit leaders of this multinational private initiative.

In further informal discussion, the President referred to specific examples illustrating the importance of international exchange in promoting understanding and communication, and again wished the group well in its endeavors.

Next Steps

After the President's departure, it was agreed that efforts to establish the new foundation should be vigorously pursued. Referring to questions raised in the course of the earlier discussion, Co-Chairman Brock asked whether the sense of the meeting was that there should be a tentative endorsement of the proposal pending further study of the activities of existing organizations in the field of Western cohesion and more clarification of the purposes of the proposed new foundation before further steps were implemented. In response, several members of the Planning Group called for a stronger and more emphatic determination by the group in view of widening rifts of understanding within the Western Community which were felt especially keenly in the Western Pacific and in Europe. A consensus was therefore reached in favor of another meeting of the Planning Group early in the new year, by which time provisional articles and a charter for the new foundation should have been prepared.

The staff of the University of South Carolina was requested to prepare draft articles and a charter as well as suggested plans for implementing the proposed new foundation. The drafts should take account of observations raised during the meeting, and in particular should define clearly the purposes of the foundation in a way which would distinguish it from other organizations and establish unequivocally its unique characteristics.

Co-Chairman Holderman said that the University staff would be glad to follow up as requested and would be in touch with individual members of the Planning Group in preparation for the next plenary meeting, which they would try to organize as requested early in the new year. In the meantime the University would seek the necessary planning funds to implement the decisions of the Planning Group as quickly as possible.

Thanking Co-Chairman Brock for his assistance at short notice and the members of the group for their participation, there being no further business Dr. Holderman adjourned the meeting at 2:00 p.m.

MEMBERS OF THE PLANNING GROUP
FOR A
FOUNDATION FOR THE COHESION OF THE WEST

- The Honorable Anne L. Armstrong, former Ambassador to the United Kingdom
- * The Honorable William E. Brock, III. Secretary of Labor
Dr. Zbigniew Brzezinski, former Assistant to the President for National Security Affairs
- * The Honorable Arthur Burns, former Ambassador to the Federal Republic of Germany
The Right Honorable James Callaghan, British Prime Minister, 1976-79
- * The Honorable William Clark, former Secretary of the Interior, Assistant to the President, and Deputy Secretary of State
- * Dr. Peter Corterier, MdB.; Secretary-General-designate, North Atlantic Assembly
The Honorable Lawrence S. Eagleburger, President, Kissinger Associates; Chairman, International Advisory Board, Byrnes Center, University of South Carolina
Senator Daniel J. Evans (R.Wash)
Representative Dante B. Fascell (D.Fla), Chairman, Foreign Affairs Committee, U.S. House of Representatives
The Honorable Gerald Ford, President of the United States, 1974-77
- * The Right Honorable Malcolm Fraser, Prime Minister of Australia, 1975-83
Senator Mark O. Hatfield (R.Ore)
- * Dr. James B. Holderman, President, University of South Carolina
The Honorable John N. Irwin, former Under Secretary of State
Mr. Walther Leisler Kiep, President, Atlantik Brucke
- * Mr. Lane Kirkland, President, AFL-CIO
Senator Richard G. Lugar (R-Ind), Chairman, Foreign Relations Committee, U.S. Senate
- * Senator Charles McC. Mathias (R.Md), Chairman, North Atlantic Assembly
The Honorable Walter F. Mondale, Vice President of the United States, 1977-81
Senator Sam Nunn (D-Ga)
- * His Excellency Yoshio Okawara, former Ambassador of Japan to the United States
Sir Michael Palliser, Chairman, Institute of Strategic Studies
- * The Right Honorable James Prior, M.P.; former Secretary of State for Northern Ireland; former Secretary of State for Employment, United Kingdom
- * The Honorable Walter Raymond, Jr., Special Assistant to The President for National Security Affairs
- * The Honorable John Richardson, Chairman, National Endowment for Democracy
- * Attended September 25 meeting at White House

- General Brent Scowcroft, former Assistant to the President
for National Security Affairs
The Honorable Robert S. Strauss, former U.S. Trade Representative;
former Chairman, Democratic National Committee
- * Mr. William Timmons, President, Timmons and Associates
 - The Honorable Alexander Trowbridge, President, National
Association of Manufacturers
 - The Honorable Cyrus Vance, former Secretary of State
 - * His Excellency Bernard Vernier-Palliez, former Ambassador of
France to the United States
 - Senator Malcolm Wallop (R.Wyo)
 - * The Honorable John Whitehead, Deputy Secretary of State
 - * The Honorable Charles Z. Wick, Director, United States
Information Agency
 - * Sir David Wills, Founding Trustee, 21st Century Trust; Founder,
Ditchley Foundation
 - Mr. Frank Zarb, Lazard Freres & Co.

Advisor

- * Mr. Richard Bradley, Associate Counsel, Rockefeller Family
and Associates

University Staff and Counsel

- * Mr. Jonathan Davidson, Washington Director, Byrnes International
Center, University of South Carolina
- * Mr. James R. Huntley, Consultant, University of South Carolina
- * Mr. Robert J. Woody, Partner, Lane & Mittendorf
- * Mr. Thomas B. McVey, Associate, Lane & Mittendorf

National Security Council Staff

- * Mr. Michael Castine, Director, International Communications
and Information

- * Attended September 25 meeting at White House