

CPL
②

Ref. A087/1528

MR POWELL
✓

Prime Minister

CDD
29/5Venice Economic Summit

I had a call from Signor Ruggiero this evening, reporting on certain points which had emerged from Signor Fanfani's and his discussions in Washington.

East/West Relations

2. The Americans want a declaration on East/West relations and arms control, and they would like a stronger text than the existing agreed draft. Ruggiero felt that his position as Chairman precluded him from circulating an American draft. The Americans said that they might ask the British to circulate a draft. I said to Ruggiero that, since the Prime Minister's position was that she was not convinced of the need for any East/West declaration, I should have to say (if approached by the Americans) that I did not think that the British could convincingly circulate a revised draft. The Americans may decide to circulate the draft on their own account. The draft is apparently likely to seek to commit the Summit partners to "support" the American position in the arms control negotiations, though the Americans realised that the French have always refused to appear to take sides in relation to negotiations to which they are not party.

Terrorism

3. Here too, the Americans want a stronger text than the one recently agreed. They would like to revert to the draft

originally agreed among Political Directors earlier in the month, but may be content simply to propose amendments to the existing draft.

Agriculture

4. Here again, the Americans will be pressing for a stronger text than is likely to be acceptable to some of the other Summit partners. I was in fact sent a copy of this text earlier this week. I agreed with Ruggiero that we should work on the basis of this text when considering drafting on 2 June; I shall have by me the drafting amendments which we would be looking for to make it fully acceptable to us (it is from our point of view not too difficult).

Debt Strategy

5. The Americans will accept the need for special treatment for the problems of the poorest Sub-Saharan African countries. The Italians are thinking that a remit might be given to G7 Finance Ministers to pursue this. There may also be problems in relation to the middle income countries, where the banks are showing signs of unwillingness to support. Here too, the Italians are thinking in terms of the possibility of a remit to G7 Finance Ministers.

6. I am sending copies of this minute to the Private Secretaries to the Foreign and Commonwealth Secretary and the Chancellor of the Exchequer.

REA

ROBERT ARMSTRONG

29 May 1987