**CABINET OFFICE** 0067 70 Whitehall London SW1A 2AS Telephone 01-270 CONFIDENTIAL Hw 0648 N L Wicks Esq CBE Principal Private Secretary to the Prime Minister 10 Downing Street London SWI 22 January 1988 ECONOMIC SUMMIT : SCIENCE I mentioned to you that there are growing signs that science issues may be raised at the Toronto Summit in June and that it might be appropriate, therefore, for the Chief Scientific Adviser to meet the Canadian Sherpa, Mrs Ostry, when she is in town at the beginning of next month. You asked for a note on the issues. Science has been on Summit agendas before, most recently with the Japanese initiative at Venice in 1987 for their Human Frontiers Science Programme. Work is continuing on clarifying the objectives and form of such an effort. Before that, the Versailles Summit in 1982 set up on a French initiative a Working Group on Technology, Growth and Employment which reported to successive Summits until Tokyo in 1986. Thereafter, having lost its political impetus and in accordance with the general view that Summits should not spawn new permanent machinery, it disbanded. Turning to the future, there are the following subjects of growing debate which lead us to believe that science could be raised in Toronto. First, the Americans have proposed within OECD that there should be agreement on a general framework of common principles for international co-operation in science and technology. I shall be attending a meeting in Paris at the end of next week when this idea will be discussed further. The initiative stems largely from President Reagan's Science Adviser, Dr William Graham, and is directed primarily against the Japanese who are perceived as doing less than their fair share of the world's basic scientific research. European partners are at present sceptical about both the concept and the American draft in detail but accept the political imperative of not meeting the Americans with a rebuff. Our view, which I shall be canvassing with European partners, is increasingly that it may be in our interests to agree a shorter and less contentious text which the Americans could bring forward to the regular OECD Ministerial in May and thereafter table in Toronto. The second current subject is the future of CERN where our European partners now accept our view that a major effort should be made to persuade the

Americans especially, but possibly also the Canadians and the Japanese, to participate and contribute more fully. Our common judgement is that this will require a push at a high political level. Toronto could provide the right forum.

The third element is the growing recognition that large scientific ventures must be undertaken co-operatively as the costs grow out of the reach of what any one country can bear. For example, the Americans are looking to their Western partners to participate in their planned Superconducting Supercollider, SSC, although this is a long way from being realised, and may increasingly be looking to collaboration in nuclear fusion research (as could the UK). This could build on the four way discussions (EC,US,Japan,Soviet Union) on fusion knwon as ITER, instituted following the Reagan/Gorbachov summit in Washington.

The Chief Scientific Adviser, in informal discussions with his opposite numbers from the Summit Seven and the European Commission in the margins of the OECD Science Ministers' meeting last October, has received clear confirmation that they have similar perceptions of this need for cooperation.

A final element, to which John Fairclough attaches special importance, is that major science nations should reach a common understanding on the good management and budgetary control which should apply to all large international science projects. He raised this with the Prime Minister last year and it is embodied in our negotiations on the future of CERN.

Putting these elements together, it could be in our interests if science were on the Toronto agenda. Discussion might take the following course. The Americans raise their framework of principles. European partners welcome them and draw attention to CERN as a world-leading current project where other Summit partners should play their part. In return they listen attentively, but without formal commitment, to American plans for the SSC. Fusion research could also be raised. Summit leaders conclude that there is an issue of management of world science and reconvene the Working Group of Chief Scientific Advisers to report the following year.

Such a strategy could be well worth examining further in the Sherpa framework. Sir Robert Armstrong, who was briefed by the Chief Scientific Adviser on his Paris discussions, raised the issue of co-operation informally at the last meeting in British Columbia and there was interest but no clear commitment. I believe that the game has moved on since then, particularly with regard to CERN, where we are very much in the lead motivated by the scientific community's reluctance to pay as much as present. Similar problems are dogging our role in other international science ventures; space is an example. It is therefore difficult for the UK to take the lead in the Summit context (although the Prime Minister's support would be consistent with the importance she has attached to the management of British science). The signs that the Americans may are therefore welcome. Moreover, the Canadian Chief Scientist, Bruce Howe (with whom John Fairclough has a very close relationship), was at their last discussion at the OECD Ministerial notably enthusiastic.

It seems to us, therefore, that it would be opportune for John Fairclough to have some exploratory discussions with Mrs Ostry on all this to see whether the Canadians from the Chair are ready to carry things forward. He would not commit the UK other than to confirm our basic approach as outlined above. I hope that

we may have your agreement to contact the Canadians to see whether this is possible. Alternatively, he might join in discussions which have already been arranged. We shall need in any case to ensure that you have a brief for the next Sherpas meeting in February. The line can be settled in the light of Mrs Ostry's views and our discussions in the OECD. Your widerely Ruhard Coult R E ESCRITT cc R Q Braithwaite Esq CMG, FCO Sir G Littler KCB, HMT Sir C Mallaby KCMG Mr J Fairclough Cabinet Office Mr R Wilson Mr T Woolley, PS/Sir R Butler