



N L Wicks Esq CBE
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Dear Nigel,

TORONTO ECONOMIC SUMMIT: POLITICAL ISSUES

1. Alec Chistoff of the Canadian High Commission called on the Head of our Policy Planning Staff, David Gore-Booth, on 10 May to discuss the political agenda at Toronto.

2. Chistoff said that the Canadian trawl of partners' preliminary views on the political agenda (see my letter to you of 18 April reporting the Canadian High Commissioner's call on me) had produced the following results:-

- (a) consensus that economic issues should take pride of place.
- (b) a general expectation that East-West relations, particularly following the US-Soviet Summit, would dominate discussion among Heads of Government. The discussion might cover Western responses to Gorbachev, arms control and Afghanistan.
- (c) The United States and Canada in particular wanted to find ways of associating Japan with Western political objectives. The Japanese had no objection in principle to NATO language, depending on the specific subjects under discussion.
- (d) an expectation (at least on the part of officials) that the Middle East, Central America, the Horn of Africa, Philippines and Cambodia might be discussed at Heads' level. The Central American suggestion had, Chistoff thought, come from Bonn; the Horn from Italy; the others from Japan.
- (e) a general feeling that Heads of Government would have to discuss international terrorism. Chistoff said that the US were regarded as being in front on this, and were thought to be preparing some paragraphs for the political statement (see below), but he now understood that the UK, in the aftermath of the Kuwaiti hijacking, similarly favoured inclusion of the subject in the Heads' agenda. He mentioned that Japan wanted some discussion of Korea in the context of the Olympics and terrorism.

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In my experience, what Shergas decide in political issues bears Foreign and Commonwealth Office London SW1A 2AH to what Heads of Government actually discuss. I don't think we need worry about South Africa - the Canadians will

Do you think it necessary to consult PP on this which looks sensible?

11 May 1988

If not, I shall reply to J.F. summarizing content. by pencil?

or... U

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be at least 1/2 of it is dismissed, not us. But in my view, the PM might be case with to refer to Anglo-Soviet/Cuban group with drawn, can.

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(f) consensus that there should be a brief final political statement, reflecting leaders' actual discussion. (There would be a separate declaration on economic issues.)

(g) several partners had pointed to the utility of using the Chairman's summary statement to cover issues other than East-West relations.

3. Chistoff went on to report Canadian reactions to what partners had told them. First, the Canadian Government believed that Summit leaders, with only a few hours at their disposal for political issues (probably only dinner on the evening of arrival), should focus exclusively on East-West relations. All regional issues, except Afghanistan and Cambodia which could be discussed under the East-West item, should be delegated to Foreign Ministers, unless there was a particular crisis in that area at the time of the Summit. If, however, regional issues were discussed, Mr Mulroney would wish to raise South Africa. (Chistoff interjected at this point that UK-Canadian bilateral relations would be served if South Africa were not on the agenda.) The Canadians also agreed that the communique should be based on what leaders had actually discussed. They suggested that the exact form of the political declaration should be discussed at the next Sherpas' meeting in Paris next week. Finally, Taylor (PUS- equivalent, Canadian DFA) had decided not to pursue the idea of a visit to European capitals to discuss the Toronto political agenda.

4. David Gore-Booth undertook to report, but gave the following preliminary comments. There was a broad measure of agreement between us and the Canadians, eg that economic issues should dominate and that there should be a single political declaration. We also strongly agreed that the Summit should be used to demonstrate and reinforce the role Japan was now playing in Western policy. David Gore-Booth noted that Chistoff's presentation first described the majority view, and then the Canadian reaction. Our views had not changed. We saw the three principal issues at Heads of Government level as East-West relations, the Middle East and terrorism. On East-West, in addition to arms control and Afghanistan, we would include the situation in Eastern Europe. The Middle East included both Arab-Israel and Iran-Iraq. In response to Chistoff's question, Gore-Booth said that he imagined Summit leaders would wish to give strong support to the need for a negotiated settlement of the Arab-Israel dispute in the light of Shultz' continuing efforts, and to sustain those such as King Hussein and Mr Peres who were working in the same direction. On the Iran-Iraq war, Summit leaders might want to say something about the use of chemical weapons, and the Americans would no doubt seek support on naval activity in the Gulf. On terrorism, Gore-Booth referred to the five point plan advanced by the Foreign Secretary and to our wish to hold an early meeting of the Summit Seven counter-terrorism experts. It

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seemed to us that Summit leaders would want to say something about the way forward in countering international terrorism following the Kuwaiti hijacking. The UK hoped to have some specific ideas on this subject.

5. Gore-Booth agreed that Central America, the Philippines, Korea, Horn of Africa and also Cambodia, which we did not regard as an essential East-West topic for Heads of Government, could be dealt with by Foreign Ministers. We also strongly believed that South Africa should not be discussed by Heads of Government. The situation there simply did not call for a statement by Summit leaders, any more than the other secondary regional issues. Gore-Booth concluded by noting the consensus that the political declaration should cover those subjects actually discussed by Heads of Government. It need not be devoted exclusively to East-West. The division between the political declaration and the Chairman's summary statement was something which Sherpas and Political Directors would no doubt wish to discuss but the summary statement was an obvious vehicle for subjects covered by Foreign Ministers.

6. Political issues will, as you know, be discussed at your Sherpas' meeting over dinner on 20 May. Mrs Ostry is bound to revert to the Canadian position described above. We do not believe the Canadian proposal is acceptable. Although East-West should dominate, we believe that Summit leaders will also wish to discuss the Middle East and terrorism; and that we should make clear to the Canadians that we do not agree that the price of doing so should be discussion of South Africa. Apart from the points made by David Gore-Booth, which I endorse, we might remind the Canadians that the Japanese have a positive role to play in the Iran-Iraq conflict. Indeed this is one example of a more active Japanese international diplomacy, which we welcome and which chimes in well with the stated Canadian objective of demonstrating Japan's Western orientation at the Summit. We should also make clear that, given the dangers involved in conflict in the Middle East and the role of the United States and the Soviet Union there, we do not regard this as a regional issue on a par with, for example, the Philippines or Cambodia. Finally, we need to retain some flexibility over the time for political issues at Toronto. In addition to dinner on the first evening, it might be desirable to raise terrorism in the informal discussion on the second day.

7. It would be helpful to know whether you are content with this approach. If so, we shall tailor briefing for next week's Sherpas' meeting accordingly.

8. I am sending a copy of this letter to Rodric Braithwaite.

John Fretwell
John Fretwell

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