

Common Review

PRIME MINISTER

CABINET: ECONOMIC SUMMIT

You will want to report briefly to Cabinet on the Economic Summit. You might make these points:

- the results met the needs of the times. In particular, the commitment to do more to open trade, and to work together to tackle greenhouse gas emissions;
- the G7 are providing leadership on sound finance, market economy, freer trade. They showed this on aid to the Soviet Union, where the Summit followed the sensible course of getting the IMF - the real experts - to do an analysis before decisions are reached (although the Germans may for their own reasons go ahead anyway);
- the link with the NATO Summit, which was very successful. The London Declaration took us a major step towards a more peaceful world: the Economic Summit matched that on the economic and trade side, and represents a step towards a more prosperous world;
- the effect on President Bush of French and German tactics and their attempt to compel the US to tag along with what the Community decides. This may lead to some reassessment by the Americans of their attitude to the Community - and bring home to them how useful we are.

C.D.P.

disputes

Technical

Technical
imp.

Ag.
Sec.
Chairman

CHARLES POWELL

12 July 1990