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File JD



10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

20 February, 1989.

Dear Nigel,

PARIS ECONOMIC SUMMIT

The Prime Minister has gone through your minute of 17 February, in which you seek guidance on the line to take at the Sherpas' meeting on 25/26 February to prepare for the Paris Economic Summit. She is in general well content with what you propose, in particular paragraphs 16 and 17. She also agrees that you should offer to circulate the paper on the Economic Aspects of the Environment at a future meeting.

The Prime Minister has made a number of detailed comments which you will want to take into account:

- on paragraph 4 of your minute, describing the agenda set by the Toronto Economic Summit, she has suggestions on the last two turrets. On debt, she suggests "continuing the existing strategy". And on international policy coordination, she suggests rephrasing to read: "increased commitment to international cooperation on sound economic and monetary policies". This is to avoid any ambiguity about the subjects for cooperation.

- on paragraph 7, the Prime Minister has asked whether we have any figures for comparative industrial subsidies in EC countries.

- on the note entitled: Environment - Game Plan for the 1989 Economic Summit, the Prime Minister has commented in relation to paragraph 3(iii) that we should take action now where the need is plain already. She has also asked whether we could not produce the first draft of a new UN Convention.

- on paragraph 3(v), the Prime Minister has never liked the phrase 'sustainable development'. She thinks we should talk about progressive development which maintains balance in the world's systems.

- she agrees that it is best to delay circulating the paper on the Economics of Environmental Pollution until

CONFIDENTIAL

80

the April meeting. Otherwise there is a risk that it will be hijacked by others.

I am copying this letter to the Private Secretaries to the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, and Sir Robin Butler.

*Yours sincerely,
C.D. Powell*

C.D. Powell

N.L. Wicks, Esq., C.V.O., C.B.E.
HM Treasury.