



10 DOWNING STREET  
LONDON SW1A 2AA

*From the Private Secretary*

4 July 1990

**HOUSTON ECONOMIC SUMMIT**

Thank you for your letter about the UN Secretary-General's message about the Economic Summit. I agree that the Prime Minister should reply after the Summit.

(C. D. POWELL)

Simon Gass, Esq.,  
Foreign and Commonwealth Office.

RW



Foreign and Commonwealth Office

London SW1A 2AH

4 July 1990

Dear Charles,

Houston Economic Summit

I enclose the text of a message to the Prime Minister from the UN Secretary-General in advance of the Economic Summit.

The message does not break any significantly new ground, and does not require any immediate answer. If you agree, we will let you have a draft reply for the Prime Minister's signature after the Summit.

Yours ever,  
S L Gass

(S L Gass)  
Private Secretary

C D Powell Esq  
10 Downing Street

1. TEXT OF SECRETARY-GENERAL'S LETTER OF 28 JUNE TO THE PRIME MINISTER IS AS FOLLOWS.

BEGINS

DEAR PRIME MINISTER,

AS YOU PREPARE FOR YOUR FORTHCOMING MEETING WITH YOUR COLLEAGUES FROM THE GROUP OF 7, I WISH ONCE AGAIN TO CONVEY TO YOU MY PREOCCUPATIONS CONCERNING THE ECONOMIC AND SOCIAL SITUATION FACING THE WORLD.

THE CHANGES IN EASTERN EUROPE AND THE SOVIET UNION HAVE PROVIDED A REAL OPPORTUNITY, FOR THE FIRST TIME SINCE THE END OF THE SECOND WORLD WAR, TO LAY THE FOUNDATIONS FOR ENDURING PEACE IN WHICH ALL NATIONS CAN DEVOTE THEIR ENERGIES TO THE PURSUIT OF ECONOMIC DEVELOPMENT AND SOCIAL PROGRESS.

AS LEADERS OF THE INDUSTRIALIZED WORLD, YOU HAVE A UNIQUE POSSIBILITY TO HELP THE INTERNATIONAL COMMUNITY REFOCUS ITS ENDEAVOURS ON COMBATING PROBLEMS THAT TOUCH ALL OF US IN ONE WAY OR ANOTHER. ENVIRONMENTAL DEGRADATION HAS BECOME A SERIOUS THREAT TO OUR PLANET AND A MATTER OF PROFOUND CONCERN, AS IS THE PROBLEM OF DRUG ABUSE. SIMILARLY, WIDESPREAD POVERTY, HUNGER, MALNUTRITION AND DISEASE ARE ENEMIES OF ALL HUMANITY.

THE CONTINUING DETERIORATION OF ECONOMIC AND SOCIAL CONDITIONS IN MOST OF THE DEVELOPING COUNTRIES, PARTICULARLY IN AFRICA, IS ALSO A CAUSE FOR ALARM. IT IS NOW CLEAR THAT THE EFFORTS OF THESE COUNTRIES TO REFORM THEIR ECONOMIC AND POLITICAL INSTITUTIONS AND POLICIES REQUIRE A FAR MORE DETERMINED LEVEL OF SUPPORT FROM THE INTERNATIONAL COMMUNITY. THE GAP BETWEEN THE DEVELOPED AND THE DEVELOPING COUNTRIES CONTINUES TO WIDEN. WHILE PEOPLE IN DEVELOPED COUNTRIES ENJOY UNPRECEDENTED PROSPERITY, OVER A BILLION PEOPLE IN THE DEVELOPING WORLD - ONE-FIFTH OF THE HUMAN RACE - LEAD LIVES IN CONDITIONS OF ABSOLUTE POVERTY.

THIS SITUATION MANIFESTLY CONSTITUTES A GRAVE DANGER TO POLITICAL AND SOCIAL ORDER, WITH REGIONAL AND INTERNATIONAL IMPLICATIONS.

IN THESE CIRCUMSTANCES, IT SEEMS MOST IMPORTANT TO ME THAT THE PROCESS OF INTEGRATING THE EASTERN EUROPEAN ECONOMIES INTO THE GLOBAL ECONOMY SHOULD BE ACCOMPANIED BY NO LESS OF AN EFFORT TO INCLUDE THE DEVELOPING COUNTRIES IN A PROCESS THAT ENABLES THEM TO HAVE THEIR CONCERNS MET MORE EFFECTIVELY. THIS WILL NOT ONLY REVITALIZE THE INTERNATIONAL ECONOMY AS A WHOLE BUT ALSO CONTRIBUTE TO IMPROVEMENTS IN ECONOMIC AND SOCIAL CONDITIONS WHICH IN THEMSELVES STRENGTHEN THE PROCESS OF DEMOCRATIZATION AND THE RESPECT FOR HUMAN RIGHTS.

LAST YEAR THE NET TRANSFER OF RESOURCES FROM THE DEVELOPING TO THE DEVELOPED COUNTRIES INCREASED TO AN ALARMING LEVEL OF US DOLLARS 63 BILLION. THE NEGATIVE FLOW OF RESOURCES, THE STAGGERING BURDEN OF DEBT AND THE SLOW PROGRESS IN THE URUGUAY ROUND OF MULTILATERAL TRADE NEGOTIATIONS ARE IMPEDING THE DEVELOPMENT EFFORTS OF THE DEVELOPING COUNTRIES AND FURTHER DISTORTING THE INTERNATIONAL ECONOMY. IN THIS CONNECTION, MY SPECIAL REPRESENTATIVE ON DEBT, MR. BETTINO CRAXI, WHO HAS HELD EXTENSIVE CONSULTATIONS WITH ALL PARTIES, HAS DEVELOPED A NUMBER OF IDEAS TO STRENGTHEN THE INTERNATIONAL DEBT STRATEGY. I HOPE YOU WILL GIVE THESE IDEAS EVERY CONSIDERATION.

IN SEPTEMBER OF THIS YEAR THE SECOND UNITED NATIONS CONFERENCE ON THE LEAST DEVELOPED COUNTRIES WILL TAKE PLACE IN PARIS. I URGE YOU TO USE THE OPPORTUNITY OF THIS CONFERENCE TO MAKE A SPECIAL EFFORT TO ENSURE ADEQUATE SUPPORT FOR THE DEVELOPMENT EFFORTS OF THESE COUNTRIES.

IT WAS VERY ENCOURAGING THAT THE DECLARATION OF THE UNITED NATIONS GENERAL ASSEMBLY AT THE EIGHTEENTH SPECIAL SESSION LAST APRIL WAS UNANIMOUSLY ADOPTED. I WISH TO THANK YOUR GOVERNMENT FOR HAVING PARTICIPATED SO ACTIVELY IN WHAT WAS A MOST LIVELY AND POSITIVE DISCUSSION. A DECISIVE POLITICAL IMPULSE FROM YOUR MEETING SUPPORTIVE OF THE OUTCOME OF THAT SESSION WOULD GREATLY FACILITATE A BROADENING OF THE INTERNATIONAL DIALOGUE AND ACCELERATE PROGRESS ON ECONOMIC ISSUES OF CRITICAL IMPORTANCE. THIS WOULD ALSO CONTRIBUTE TO THE ELABORATION OF AN EFFECTIVE STRATEGY FOR THE FOURTH UNITED NATIONS DEVELOPMENT DECADE.

PRIME MINISTER, GIVEN THE IMMENSE CAPACITY OF THE GROUP OF 7, I DO HOPE THAT YOUR SUMMIT MEETING CAN FURTHER THESE IDEAS AND THUS HELP TO RESOLVE THE MANY PROBLEMS CONFRONTING US.

PLEASE ACCEPT, PRIME MINISTER, THE ASSURANCES OF MY HIGHEST CONSIDERATION.

JAVIER PEREZ DE CUELLAR

04.07.87  
765  
M.P. 12  
-C  
AM 90