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MR POWELL

Economic Summit 1986

In your minute of 17 March you mentioned two subjects which might be touched upon in discussion between Heads of Government in Tokyo.

2. On the first - the effects of both new technology and levels of social services provision on unemployment - I think that we should prepare a speaking note for the Prime Minister to use, and we should have some words ready, in case Heads of Government agree that there should be some reference to the issue in the economic declaration from the Tokyo Summit. I will put in hand the preparation of these documents, in consultation with the Treasury.

3. It may be that the Summit might conclude that there should be further discussion among the Personal Representatives after the Tokyo Summit, in time to prepare fuller documentation for the 1987 Summit. This is a possibility for which we should also be prepared.

4. On the second point - the distortion of competition caused by the lack of social services provision and health and safety regulations in newly industrialised countries - having talked to the Treasury, I doubt whether there is very much background study or research that can usefully be done. But we will prepare a speaking note, on the basis of which the Prime Minister can raise the subject in discussion, if she is minded to do so; and we will have ready forms of words which can be available for insertion in a declaration, if the Summit decides that the point should be reflected in the declaration.

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5. I am sending copies of this minute to the Private Secretaries to the Foreign and Commonwealth Secretary and the Chancellor of the Exchequer.

RA

ROBERT ARMSTRONG

26 March 1986

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Tokyo Summit
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