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Normandy (05/08/1984-05/09/1984)

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WITHDRAWAL SHEET

Ronald Reagan Library

Collection Name MARTIN, WILLIAM: FILES

Withdrawer

DLB 11/24/2006

File Folder JUNE TRIP: IRELAND, UNITED KINGDOM AND
NORMANDY (05/08/1984-05/09/1984)

FOIA

F02-071/2

Box Number 90527

COLLINS

65

ID	Doc Type	Document Description	No of Pages	Doc Date	Restrictions
30445	CABLE	DRAFT CABLE, NO CABLE NUMBER, RE: FRENCH CHANGE IN NORMANDY SCHEDULE R 6/12/2008 NLRRF02-071/2	2	5/7/1984	B1
30446	MEMO	TYRUS COBB TO WILLIAM HENKEL, WILLIAM MARTIN, RE: NORMANDY R 6/12/2008 NLRRF02-071/2	1	5/8/1984	B1
30447	SCRIPT	COPY OF #30373/30874, RE: TRIP TO EUROPE WITH INSERTED PARAGRAPH EDITS R 10/9/2007 NLRRF02-071/2	21	5/2/1984	B1

Freedom of Information Act - [5 U.S.C. 552(b)]

B-1 National security classified information [(b)(1) of the FOIA]

B-2 Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]

B-3 Release would violate a Federal statute [(b)(3) of the FOIA]

B-4 Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]

B-6 Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]

B-7 Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]

B-8 Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]

B-9 Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

~~SECRET~~

NATIONAL SECURITY COUNCIL
SECRETARIAT

PAGE 01
EOB116

LONDON 0368
AN006946

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TOR: 129/15062 CSN: EHA274

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WHITE HOUSE WASHDC IMMEDIATE

~~SECRET~~ LONDON 10368

EXDIS
DEPT. FOR EUR/NE, S/S, A/EX - J. BULL
WHITE HOUSE FOR MESSRS. HENKEL/HODLEY
E. O. 12356: DECL: OADR
TAGS: OVIP (REAGAN, RONALD), KSUM. UI
SUBJECT: PRESIDENT'S VISIT TO THE UK: SUMMIT BILATERALS
REF: STATE 133117

1. (~~SECRET~~ ENTIRE TEXT.)
2. NICHOLAS BARRINGTON, HMG SUMMIT COORDINATOR, CONFIRMS NAKASONE NOW SCHEDULED TO ARRIVE EARLY MORNING OF JUNE 7 INSTEAD OF JUNE 5.
3. BARRINGTON ALSO ADVISED THAT THERE IS NO REPEAT NO OBJECTION TO THE PRESIDENT HOLDING BILATERAL MEETINGS WITH OTHER SUMMIT LEADERS BEFORE THATCHER HAS HAD HER OWN FORMAL BILATERALS WITH THESE LEADERS. BUT NOTING THAT ALL EXCEPT THE PRESIDENT ARE SCHEDULED TO ARRIVE ON JUNE 7, BARRINGTON CAUTIONED US AGAINST URGING ANY OF THEM TO COME EARLIER. //

4. FOLLOWING IS LATEST HMG INFORMATION ON ARRIVALS OF SUMMIT LEADERS:

	DATE	ARRIVAL AT GATWICK AIRPORT	OFFICIAL GREETING CEREMONY AT KENSINGTON PALACE GARDENS
THORN	JUNE 7	2:00 PM	2:30 PM
CRAXI	JUNE 7	2:30 PM	3:00 PM
NAKASONE	JUNE 7	APPROX 7-8 AM	3:30 PM
KOHL	JUNE 7	NOT SETTLED -- POSSIBLY 4 PM	-----
TRUDEAU	JUNE 7	NOT SETTLED	-----
MITTERAND	JUNE 7	4:30 PM	5:00 PM
PRICE			
BT			

~~SECRET~~

MEMORANDUM

NATIONAL SECURITY COUNCIL

May 8, 1984

MEMORANDUM FOR MANNY L. RUBIO

FROM:

WILLIAM F. MARTIN *Rece*

SUBJECT:

Briefing Books for President's Trip to Europe

I would be grateful if you could please prepare cover sheets for the briefing books for the President's Trip to Europe. There will be two books:

- The President's Trip to Europe: Ireland, UK and Normandy
- The President's Trip to Europe: London Economic Summit

The cover sheets should be prepared for the following people:

The President
The Vice President
The First Lady
Secretary George P. Shultz
Secretary Donald T. Regan
Robert C. McFarlane
Edwin Meese III
James A. Baker, III
Michael K. Deaver
Michael A. McManus
Larry M. Speakes
Richard G. Darman
Edward V. Hickey, Jr.
William F. Sittmann
Bently T. Elliott
William Henkel
James G. Rosebush
Douglas McMinn
Robert M. Kimmitt
Kathleen Osborne
David C. Fischer
W. Allen Wallis
Beryl Sprinkel
Richard R. Burt

MEMORANDUM

NATIONAL SECURITY COUNCIL

84 MAY 8 P 2: 42

May 8, 1984

MEMORANDUM FOR MANNY L. RUBIO

FROM: WILLIAM F. MARTIN

SUBJECT: Briefing Books for President's Trip to Europe

I would be grateful if you could please prepare cover sheets for the briefing books for the President's Trip to Europe. There will be two books:

-- The President's Trip to Europe: Ireland, UK and Normandy JWW 1-10

-- The President's Trip to Europe: London Economic Summit JUN 7-9

The cover sheets should be prepared for the following people:

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The Vice President
The First Lady
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Bently T. Elliott
William Henkel
James G. Rosebush
Douglas McMinn
Robert M. Kimmitt
Kathleen Osborne
David C. Fischer
W. Allen Wallis
Beryl Sprinkel
Richard R. Burt

HEADS OF STATE AND PRINCIPALS PARTICIPATING
IN THE ECONOMIC SUMMIT

The United States

President Ronald Reagan
Secretary of State George P. Shultz
Secretary of the Treasury Donald Regan

France

President Francois Mitterrand
Minister of External Relations Claude Cheysson
Minister of the Economy, Finance and Budget Jacques Delors

United Kingdom

Prime Minister Margaret Thatcher
Secretary of State for Foreign and Commonwealth Affairs
~~Francis Pym~~ *Sir Geoffrey Howe*
Chancellor of the Exchequer ~~Sir Geoffrey Howe~~ *Nigel Lawson*

Canada

Prime Minister Pierre Elliott Trudeau
Secretary of State for External Affairs Allan J. MacEachen
Minister of Finance Mark Lalonde

Federal Republic of Germany

Chancellor Helmut Kohl
Minister of Foreign Affairs Hans-Dietrich Genscher
Minister of Finance Dr. Gerhard Stoltenberg

Japan

Prime Minister Yasuhiro Nakasone
Minister of Foreign Affairs Shintaro Abe
Minister of Finance Noboru Takeshita
Minister of International Trade & Industry ~~Sadanori Yamanaka~~ *Hikosa-buro Okonogi*

Italy

Prime Minister ~~Aminore Fanfani~~ *Bettino Craxi*
Minister of Foreign Affairs ~~Emilio Colombo~~ *Giulio Andreotti*
Minister of Treasury Giovanni Goria *Andreotti*

European Communities Commission

Mr. Gaston Thorn, President
Minister of Foreign Affairs Wilhelm Haferkamp
Minister of Finance Francois Xavier Ortoli

Official Party -- Ireland

President and Mrs. Reagan
Secretary and Mrs. Shultz
Ambassador and Mrs. Kane
Mr. Edwin Meese, III
Mr. James A. Baker, III
Mr. Michael K. Deaver
Mr. Robert C. McFarlane
Mr. Richard G. Darman
Mr. Edward V. Hickey, Jr.
Mr. Michael A. McManus
Mr. Larry M. Speakes
Assistant Secretary of State Burt
~~Mr. Peter Sommer, NSC Director of European and Soviet Affairs~~

Official Party -- Normandy

President and Mrs. Reagan
Secretary and Mrs. Shultz
Ambassador and Mrs. Galbraith
Mr. Edwin Meese, III
Mr. James A. Baker, III
Mr. Michael K. Deaver
Mr. Robert C. McFarlane
Mr. Richard G. Darman
Mr. Edward V. Hickey, Jr.
Mr. Michael A. McManus
Mr. Larry M. Speakes
Assistant Secretary of State Burt
~~Mr. Tyrus Cobb, NSC Deputy Director of European and Soviet Affairs~~

Official Party -- London Summit

President and Mrs. Reagan - LAPEL
Secretary and Mrs. Shultz - LAPEL
Secretary Donald Regan - LAPEL
Ambassador and Mrs. Price - Blue
Mr. Edwin Meese, III - Blue
Mr. James A. Baker, III - Blue
Mr. Michael K. Deaver - Blue
Mr. Robert C. McFarlane - Blue
Mr. Richard G. Darman - Blue
Mr. Edward V. Hickey, Jr. - Blue
Mr. Michael A. McManus - Blue
Mr. Larry M. Speakes - Blue
Under Secretary of State Wallis - LAPEL
Under Secretary of Treasury Sprinkel - Blue
Assistant Secretary of State Burt - Blue
Douglas McMinn, NSC Director of International Economic Affairs - Blue
MARTIN - Blue
MORRIS - Blue
Rentschler - Blue

Kinnitt
Seltzer

DEPARTMENT OF STATE

WASHFAX RECEIPT
DEPARTMENT OF STATE

RECEIVED

'84 MAY -8 P9:18

84 MAY 8 P 9: 32

*an***B**

S/S #

SITUATION ROOM

MESSAGE NO. 4107 CLASSIFICATION ~~CONFIDENTIAL~~ No. Pages 2FROM: BRUNSON MCKINLEY S/S
(Officer name) (Office symbol) (Extension) (Room number)MESSAGE DESCRIPTION CROSSHATCH: FRENCH CHANGE IN NORMANDY SCHEDULE

TO: (Agency)	DELIVER TO:	Extension	Room No.
NSC	1 - MR. KIMMITT		
W.H.	2 - WILLIAM HENKEL		
	3 - NSC/S		
	4 - THOMPSON		
	5 - SDO		
	6 - ADD		

FOR: CLEARANCE ☒ INFORMATION ☐ PER REQUEST ☐ COMMENT ☐REMARKS: CLEARANCE PLEASE BY:

COB 9 May

S/S Officer:

BRUNSON MCKINLEY

*BMC***CROSSHATCH**

RETURN TIME-STAMPED COVERSHEET TO S/S.

5/5 25045

~~CONFIDENTIAL~~

EUR/WE:WFGRABILL
05/07/84 EXT: 21726
EUR:RBURT

EUR/WE:RSGELBARD
EUR:JKELLY

NSC:
S/S:

IMMEDIATE PARIS

E.O. 12356: DECL: OADR

TAGS: OVIP (REAGAN, RONALD), FR

SUBJECT: FRENCH CHANGE IN NORMANDY SCHEDULE

SHRB
R3HFG
R3RSG
BANK
S/S

1. EUR/WE DEPUTY DIRECTOR GELBARD USED OPPORTUNITY OF PREVIOUSLY SCHEDULED MEETING WITH FRENCH EMBASSY COUNSELOR DOPFFER TO RAISE THE ISSUE OF GOF CHANGES IN THE SCHEDULE OF EVENTS AT NORMANDY ON JUNE 6. GELBARD LET DOPFFER KNOW THAT BOTH DEPARTMENT AND WHITE HOUSE WERE GREATLY ANNOYED WITH FRENCH MODIFICATIONS IN THE SCHEDULE AT SUCH A LATE DATE, ESPECIALLY SINCE WE HAD DEVISED A PROGRAM FOR PRESIDENT REAGAN BASED ON THE SCHEDULE THEY HAD ORIGINALLY GIVEN US. NOW, LESS THAN FOUR WEEKS AWAY FROM THE CELEBRATIONS, WE WERE FACED WITH REVISING THE ENTIRE PRESIDENTIAL SCHEDULE.

2. GELBARD NOTED THAT THE USG WENT OUT OF ITS WAY TO ACCOMMODATE FRENCH GOVERNMENT WISHES FOR MITTERRAND'S STATE VISIT, INCLUDING AGREEING TO SEVERAL UNUSUAL REQUESTS. WE HAD BEEN ESPECIALLY CAREFUL TO LEAVE PRESIDENT MITTERRAND'S SCHEDULE INTACT FOR THE STATE VISIT, KNOWING THE PROBLEMS THAT ANY LAST MINUTE CHANGES COULD CAUSE. HE ADDED THAT WE WERE THEREFORE

DECLASSIFIED
BY CN NARA DATE 10/12/08
MAR 102-071/2 #30445

~~CONFIDENTIAL~~

CONFIDENTIAL

| 2

SURPRISED THAT THE FRENCH WERE NOT EQUALLY SENSITIVE TO
OUR DIFFICULTIES IN REVISING AN ENTIRE PRESIDENTIAL
SCHEDULE AND URGED RECONSIDERATION BY THE GOF. YY

CONFIDENTIAL

All of our proposals for changing the British text (Tab A) were left with the British, and are attached at Tab B.

III. Press Guidelines

The British agreed with our recommendation that each country designate three on-the-record briefers. However, they were strongly opposed to our proposal that only after the first session of Heads of State would the host country brief first and that, at all subsequent sessions, briefings would be done at the same time by all delegations. The British stated that the host country briefings after each session would be short (5-10 minutes) and would be done via closed-circuit television from Lancaster House. We also pressed the British not to proscribe Ministerial participation in the first briefing, emphasizing that the decision as to who briefs after that session should be left to individual delegations. They rejected this suggestion. We received no support for our proposed changes from other delegations.

IV. Administrative and Logistical Details

Armstrong raised the possibility that Personal Representatives be present as notetakers at the first meeting of Heads alone. He said that Thatcher is inclined to favor this but would like to know the views of other Heads. The alternative is not to have notes, as at Williamsburg.

All the Heads, except President Reagan and Prime Minister Nakasone, will arrive on the afternoon of June 7. This means that the only bilateral possible for the President in advance of the Summit is with Prime Minister Nakasone. The tentative arrival schedule is:

June 5th

a.m. - Prime Minister Nakasone

June 7th

2:00 p.m. - Gaston Thorn

2:30 p.m. - Bettino Craxi

3:00 p.m. - Helmut Kohl

3:30 p.m. - Pierre Trudeau

4:00 p.m. - Francois Mitterrand

Type : ^{inpt in} Kennedy ^{Trip} ~~Address~~

May 8, 1984

MEMORANDUM

NATIONAL SECURITY COUNCIL

30446

MEMORANDUM FOR WILLIAM HENKEL
WILLIAM MARTIN

DECLASSIFIED/RELEASED

FROM: TYRUS COBB *TJC*
SUBJECT: Normandy

NLRR F02-071/2 #30446
BY *CU* NARA DATE 6/12/08

Bob Kimmitt and I tossed around a few thoughts on how to proceed on our Normandy planning in view of Mitterrand's intransigence.

- First, we need to hang tough and insure that the French have no doubt of our intense displeasure with this inexcusable retreat from previous commitments. In a strongly worded demarche, we will remind them that not only did we modify our original planning to coincide with stated French preferences, but cleared our national itineraries through our pre-advance and advance teams. Further, Mike Deaver personally went to France to tie these details down and we find it baffling that the French are now reneging.
- Secondly, we pulled no stops in insuring that President Mitterrand's State Visit to the U.S. was a smashing success, including a virtually unprecedented second meeting and last-minute adjustments to changes. In view of the very positive reaction we received from the Quai and the Elysee, this recent demonstration of French recalcitrance is mystifying and insulting -- particularly to Mr. Deaver.

At this point, we should express our anger, around the points mentioned above, not just through the Embassy-Saulnier channel. Attali's remark to the effect that this was Saulnier's predicament indicates that the General may have painted himself into a corner and we should not allow ourselves to be restricted only to expressing our concern through him. We should encourage George Shultz to call Ambassador Vernier-Palliez in and lay down our marker with the Foreign Ministry as well.

We should also indicate a willingness to compromise on this dilemma. First, we should suggest that the President would be willing to meet with Mitterrand at Normandy prior to flying to Pointe du Hoc, should the French President feel impelled to greet President Reagan on his arrival in France. Another attractive option, since the morning of the 6th is clear and the President is not scheduled to fly to Normandy until noon, would be for the President to leave an hour earlier and fly to another city to meet with Mitterrand -- including Paris -- and hold a bilateral. Although it may not be acceptable, this demonstration of flexibility on our part may be useful.

Let's talk later today and review these thoughts to see if we should run them through Mike Deaver and Bud McFarlane.

cc: Robert Kimmitt

~~Confidential~~
CLASSIFICATION

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SURE(S) d/b 11/21/04

NATIONAL SECURITY COUNCIL
CROSSHATCH ACTION SHEET

MESSAGE # 4140
DATE TIME: 0805 10 MAY 84

IT IS THE RESPONSIBILITY OF THE COMMENT OFFICER TO CLEAR WITH THE
DEP EXEC SEC PRIOR TO THE ASSIGNED DUE DATE.

ACTION OFFICER

COMMENT OFFICER

INFO

THOMPSON

McMinn

KIMMITT

Robinson

Sigler

Sooner

MARTIN

Cobb

ACTION: CONCUR TO DEP EXEC SEC VIA PHONE AND/OR COMMENT HERE AND HANDCARRY
TO DEP EXEC SEC DUE DATE: 10 MAY 84

ACTION OFFICER COMMENTS:

John
252-5915
Letter
Bonk
at Hotel
at Nat. Sec
Status

CLEARED BY: _____ DATE: _____ TIME: _____

CLEARED TO: _____ DATE: _____ TIME: _____

~~Confidential~~
CLASSIFICATION

DEPARTMENT OF STATE

'84 MAY -9 P9:47

WASHFAX RECEIPT
DEPARTMENT OF STATE

B

S/S #

016 11/21/06

84 MAY 9 P 9: 58

WASHFAX
SITUATION ROOM

MESSAGE NO. 4140 CLASSIFICATION CONF No. Pages 2

FROM: BRUNSON MCKINLEY S/S
(Officer name) (Office symbol) (Extension) (Room number)

MESSAGE DESCRIPTION _____

CROSSHATCH: PRESIDENTIAL BILATERALS AT LONDON SUMMIT

TO: (Agency)	DELIVER TO:	Extension	Room No.
NSC	1- MR. KIMMITT		
	2- MR. KIMMITT		
	3- NSC/S		
	4- SDO		
	5- ADO		

FOR: CLEARANCE ☒ INFORMATION ☐ PER REQUEST ☐ COMMENT ☐

REMARKS: FOR CLEARANCE PLEASE BY: CoB 10 May

S/S Officer: BMCKINLEY *Amaz*

CROSSHATCH

RETURN TIME-STAMPED COVERSHEET TO S. S.

5/9
~~CONFIDENTIAL~~

EUR:TMTNILES
5/9/84 632-1010
S/S:

EUR:RBURT
NSC:WMARTIN

EAP/J:JRMALOTT
S/S-0: JWARD

IMMEDIATE TOKYO, ROME IMMEDIATE, BONN IMMEDIATE
ROUTINE LONDON, OTTAWA, PARIS, BRUSSELS

EXDIS, USEEC

E.O. 12356: DECL: OADR

TAGS: ECIN XG JA OVIP {REAGAN, RONALD}

SUBJECT: PRESIDENTIAL BILATERALS AT LONDON SUMMIT

S/S:

TMTN
JRM
WM

S/S-0:

1. ENTIRE TEXT ~~CONFIDENTIAL~~

2. PLANNING OF THE PRESIDENT'S SCHEDULE FOR THE LONDON SUMMIT HAS NOW REACHED POINT WHERE WE NEED TO MOVE AHEAD TO SCHEDULE BILATERAL MEETINGS. UNFORTUNATELY, PLANNED ARRIVALS OF MOST PARTICIPANTS RELATIVELY LATE IN THE DAY, THURSDAY, JUNE 7 ALLOWS VERY LIMITED TIME FOR BILATERALS. CONSEQUENTLY, WHITE HOUSE HAS DECIDED TO PROPOSE BILATERAL MEETINGS ON THE AFTERNOON OF JUNE 7 (WHICH APPEARS TO BE THE ONLY CONVENIENT TIME) WITH PRIME MINISTER NAKASONE, CHANCELLOR KOHL AND PRIME MINISTER CRAXI. WE DO NOT AT THIS TIME SEE OPENINGS IN THE PRESIDENT'S SCHEDULE FOR BILATERALS WITH THE OTHER SUMMIT PARTICIPANTS, ASIDE FROM MRS. THATCHER, WITH WHOM THE PRESIDENT WILL HAVE SEVERAL MEETINGS ON JUNE 5.

3. FOR TOKYO, EMBASSY SHOULD PROPOSE THAT PRIME MINISTER NAKASONE MEET WITH THE PRESIDENT BETWEEN 11:30 AND 12:30, THURSDAY, JUNE 7 AT WINFIELD HOUSE (RESIDENCE OF THE U.S. AMBASSADOR TO THE U.K.).

CONFIDENTIAL

CONFIDENTIAL

12

4. FOR ROME. EMBASSY SHOULD PROPOSE MEETING BETWEEN THE PRESIDENT AND PRIME MINISTER CRAXI AT WINFIELD HOUSE BETWEEN 4:15 AND 4:45 P.M. ON THURSDAY, JUNE 7.

5. FOR BONN. EMBASSY SHOULD PROPOSE MEETING BETWEEN CHANCELLOR KOHL AND THE PRESIDENT AT WINFIELD HOUSE BETWEEN 5:00 AND 5:30 P.M. ON THURSDAY, JUNE 7. EMBASSY SHOULD BE AWARE THAT FRG EMBASSY HAS BEEN IN TOUCH WITH THE NSC REGARDING POSSIBLE BILATERAL AND THAT 5:00 P.M. TIME SLOT WAS ONE OF THOSE MENTIONED BY THE GERMANS. THE GERMANS HAD A LONGER MEETING IN MIND, BUT EMBASSY SHOULD POINT OUT THAT THE PRESIDENT'S SCHEDULE DOES NOT ALLOW FOR MORE THAN THE 30 MINUTES ALLOTTED.

6. FOR OTTAWA, PARIS, AND USEC. WE HAVE RECEIVED NO REQUESTS FROM CANADIANS, FRENCH OR EUROPEAN COMMISSION FOR BILATERALS WITH TRUDEAU, MITTERRAND OR THORN. AS NOTED ABOVE, THE PRESIDENT'S SCHEDULE SIMPLY DOES NOT PERMIT SEPARATE BILATERALS. IF ASKED BY HOST GOVERNMENT, EMBASSY SHOULD NOTE THAT THERE IS NO TIME ON THE PRESIDENT'S SCHEDULE FOR A SEPARATE BILATERAL BUT POINT OUT THAT THERE WILL BE EXTENSIVE CONTACTS BETWEEN THE PRESIDENT AND THE OTHER HEADS OF GOVERNMENT DURING THE SUMMIT ITSELF.

7. FOR LONDON. YOUR 10559 JUST RECEIVED SHOWS KOHL ARRIVING AT GATWICK AT 4:00 PM AND KENSINGTON PALACE CEREMONY AT 4:30 PM. OUR INFORMAL INFORMATION FROM THE GERMANS VIA EMBASSY BONN WAS THAT KOHL ARRIVAL AT GATWICK WAS SCHEDULED FOR 3:30, WITH KENSINGTON PALACE CEREMONY AT 4:00PM. IF LATEP TIME TURNS OUT TO BE CORRECT, WOULD IT STILL BE POSSIBLE FOR KOHL TO MEET WITH THE PRESIDENT AT WINFIELD HOUSE AT 5:00PM? WHAT IS THE PROJECTED LENGTH OF THE ARRIVAL CEREMONIES FOR EACH OF THE OTHER LEADERS? 44

CONFIDENTIAL

NATIONAL SECURITY COUNCIL

May 9, 1984

TO: Bill Martin
From: Peter R. Sommer
Subject: President's Bilateral with Kohl

Hans Eiff, German Embassy Political Counselor, called -- obviously on instructions -- to say that Kohl hoped to have a bilateral with the President on June 7 from 5:30-6:30 or on June 9 from 6:00-7:00 p.m. Eiff said Kohl had a strong preference for a June 7 meeting. I said we were also exploring the possibility of June 7, but had an earlier time in mind.

Once we are ready to propose a specific time, I suggest we ask State (Tom Niles) to send out a message to Bonn, both to nail down Kohl's arrival time and the time for his bilateral with the President.


cc: Ty Cobb

Bill - Subsequent to typing
this note, I have learned
that Kohl could likely
be available at 4:45 or
on June 7
5:00 p.m. Once you give
me the green light, I will
ask State to propose, via msg
to Bonn, a 30-minute meeting at 4:45.

THE WHITE HOUSE
WASHINGTON

May 9, 1984

MEMORANDUM FOR THOSE LISTED BELOW

FROM: WILLIAM HENKEL 
SUBJECT: The President's Trip to Europe

In the interest of consistency and in order to avoid confusion and duplication, I must ask that all requests for accommodations and all information regarding arrival dates for the European trip be given directly to the Advance Office.

It is the responsibility of the Lead Advanceman for each country to make decisions regarding room allocations. I would further strongly suggest that any approaches from Embassy staff regarding your particular needs be referred to the Advance Office.

This office, as always, will make every effort to accommodate personal preferences and particular requirements. However, we cannot be responsible for meeting those needs that are communicated through other channels.

Distribution: First Lady's Staff
Press
Speechwriting
NSC
WHCA
USSS
A/EX
S/S
SY

William Martin

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

INFORMATION

May 9, 1984

MEMORANDUM FOR JUNE TRIP PRINCIPALS

FROM: Jim Rentschler *JR*

SUBJECT: Selective News Alert

The attached collection inaugurates a regular daily service which my team is making available to you for fast skimming in connection with the President's June trip to Europe. Quick and dirty, it will incorporate items of press interest directly or indirectly related to both the itinerary and the issues, including some overseas media reaction reports and polling results. Recognizing that you already have a desk full of paper, we will try to keep this daily compilation down to a manageable minimum - the idea is simply to provide some feel or flavor of how trip developments and their preparation are playing at large, and perhaps flag specific concerns when and as they surface.

Should any particular item pique your interest, or if you desire more detailed public diplomacy information on any aspect of the trip, please do not hesitate to call us at 395-4614.

Attachment:

As stated above.

The President's Trip to Europe - June 1984

Selective News Alert: (May 9, 1984)

1. *WSJ - "Back to Square One on the Irish Question", by T. E. Utley, P. 29, 5/9
2. WP - "IMF Fears Effect of U. S. Trade Deficit", by Hobart Rowen, P. D8, 5/9
3. WSJ - "White House, Angered by Boost in Prime, Says Fed Has Been Too Tight with Money", by Rich Jaroslovsky and Paul Blustein, P. 3, 5/9
4. WP - "White House Blames Fed - Prime Rate 12-1/2%", by John M. Berry and Howard Kurtz, P. A1, 5/9
5. NYT - "White House Blames Fed's Tight Monetary Rein", by Steven R. Weisman, P. D17, 5/9
6. WT - "Pound Hits Record Low; Dollar Rises", UPI, P. B8, 5/9
7. WSJ - "U.S. Goods Lose Ranking as Favorites in Britain", UPI, P. 33, 5/9
8. REUTER - "Bush Calls on Japan to Lower Tariffs on Lumber and Wine", 5/8

*WP - Wash. Post, WT - Wash. Times, NYT - New York Times, WSJ - Wall Street Journal, CT - Chicago Tribune, LAT - L.A. Times, JC - Journal of Commerce, FMR - Foreign Media Reaction (USIA).

Back to Square One on the Irish Question

LONDON—What sort of answer does the report of the Ireland Forum, published with a flourish in Dublin last week, give to what the British traditionally have called the "The Irish Question"?

Consider first the nature of the question. The Irish Republic is committed by its constitution to the eventual incorporation of the six northern counties into an all-Ireland state. The overwhelming majority of the North is determined to remain within the United Kingdom and therefore

Europe

by T.E. Utley

to resist such incorporation. The British government is committed to keeping the North's population within the kingdom until that population decides otherwise.

There thus appears to be an impasse. However, as far back as the 1973 Sunningdale Conference the British and Irish governments had at least agreed on the most important principle. There the British government declared that if Northern Ireland ever freely chose to leave the kingdom to become part of an all-Ireland state, Britain would not object. For its part, the Republic of Ireland said it would not seek creation of such a state without the consent of the majority of the North's population. Both sides therefore recognized the wishes of the North's people as the decisive factor.

During a series of summit conferences between the prime ministers of Britain and the Republic this theme was substantially expanded and a new concept emerged: the focus would no longer be merely on Ulster itself but on "the totality of relationships between these islands." There is even provision for the creation of some sort of consultative interparliamentary assembly that would comprise members from both the British Parliament and the Irish Dail (and,

possibly, members of any Northern Irish assembly that might exist at the time). In the process, the British government promised to initiate legislation for unification at Westminster should the North ever give its consent.

So it looks as though the question of Irish unity rests where it belongs: on the consent of the people of Ulster. Yet the progress is mostly on paper. For although the Republic of Ireland accepts the consent of the North as a precondition for Irish unity, it has been pressuring Britain to procure that consent by withdrawing Ulster's guaranteed right to remain in the kingdom. A "consent" procured by virtually revoking the right to withhold it cannot recommend itself to the North's Protestants.

The Forum's recommendations must be seen against this background. The Forum itself was the brainchild of John Hume, head of the almost entirely Roman Catholic Social Democratic and Labor Party in the North. Alarmed at the growing support for provisional Sinn Fein, the political front of the Irish Republican Army, Mr. Hume hoped to revive his party (which stands for peaceful reunification) by producing some clear evidence that the aspirations of Irish nationalists in the North could be advanced by constitutional means. Prime Minister Garret FitzGerald of the Republic, equally alarmed by the rising influence of the IRA (which is opposed to the Dublin government as well), warmly endorsed the plan. The idea was to include representatives of all constitutional parties (including the Northern Unionists) in both parts of Ireland. But the Unionists, believing that the sole purpose would be to promote their expulsion from the kingdom and their absorption into an all-Irish state, refused to participate. So all that were left to make proposals were nationalists from both sides of the border.

The report offers three political solutions: a unitary Irish state in which Northern Protestants would be absorbed (though with certain vaguely defined minority rights); a federal or confederal Irish state in which the North also would be absorbed, or a system of joint authority over Ulster by London and Dublin acting in consent. This last proposal, so scantily described as to obscure its meaning, is the only one that does not require the North to surrender its political allegiance to the U.K. Charles Haughey, formidable leader of the Republic's opposition party, insists on a unitary Irish state, and a joint-authority alternative as vague as the present one will not be taken seriously by anyone.

So we are back to the constitutional wrangle over Irish unity that embitters relations between the North and the South and impedes proper cooperation between London and Dublin against their common enemy, the IRA. All hope now lies in returning to the recognition that there must be closer ties between the two governments, based on the clear understanding that Ulster's future is for Ulster to decide. So much effort, money and (in some cases) honest concern has gone into this report that there will be strong pressure in Britain to pay it at least lip service.

Since the "joint authority" proposal is so vague, that might provide a road out. Unofficial reports this week indicate Britain may pursue this cooperative responsibility option in areas such as the police force and tourism. But the British government's paramount concern is to govern Ulster and protect the rights of its subjects there. The Forum has not contributed to that task.

Mr. Utley is chief assistant editor of the London Daily Telegraph.

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IMF Fears Effect of U.S. Trade Deficit

By Hobart Rowen
Washington Post Staff Writer

The International Monetary Fund predicted yesterday that the United States will run its biggest current account deficit this year while Japan scores a record surplus, threatening a sharp drop in the U.S. dollar and potentially creating "renewed instability in exchange markets."

In its annual "World Economic Outlook," the IMF said that the U.S. deficit in the current account—which includes services as well as merchandise trade—would be between \$70 billion and \$80 billion, twice the 1983 level, and five times the pre-1983 record of \$15 billion in 1978.

According to the IMF, Japan will show a \$23 billion surplus compared with its previous record of \$17 billion in 1978. This is likely to stim-

ulate new protectionist actions against Japanese merchandise exports, the report said.

Such restraints would be long-lasting, the report suggested, counseling Japan "to avoid undue enhancement of its present competitive position."

The main theme of the annual report—a forecast that world recovery will continue this year and next, if at a somewhat reduced pace—was released during the April meeting here of the IMF Interim Committee.

In discussing the huge and growing American current account deficit, the report noted that a key element is "the weakness in the U.S. trading position [that] clearly stems from the marked appreciation of the dollar in recent years."

From the third quarter of 1980 to the last quarter of 1983, the U.S.

dollar has shown a real (after inflation) appreciation of 44 percent against the currencies of its major trading partners, the IMF said.

The report said that the dollar at this level is already so high that it has become a "serious competitive handicap" for American manufacturers of exported goods, and that this, in turn, could lead to an even higher current account deficit, with a further loss of markets.

"A prolongation of extreme weakness in the U.S. current account could well aggravate the potential for renewed instability of exchange rates. It is by no means certain that the confidence factors now sustaining investments in dollar-denominated claims will remain so strong in the face of a growth in holdings on

See IMF, D10, Col. 3

IMF, From D8

the scale implied by the projected U.S. current account deficit in 1984," the report said.

It went on to point out that, in 1975-76, when there had been a big jump in the U.S. current account (although then on a smaller scale), there was a sharp slump in the dollar on foreign exchange markets. Many factors are different, the report acknowledged, but "it cannot be assumed that any weakening of the dollar's position would necessarily take place gradually."

The report repeated earlier suggestions that high U.S. interest rates "and the associated strength of the dollar" constitute a threat to sustained global recovery. It calls on the United States government to slash

the budget deficit to reduce the government's drain on the national savings pool.

But the IMF conceded that a decline in the dollar would dampen imports here, removing "one element underpinning recovery outside the United States."

Essentially, this point had been made by Treasury Secretary Donald T. Regan in a speech to the Interim Committee in which he argued that the strong American economy had been a magnet for imports, boosting economic growth elsewhere.

Nonetheless, the IMF concluded that lower interest rates "would be a more than offsetting benefit," because they would improve consumer and business confidence, and that the United States ought to take steps to bring its deficit down.

White House, Angered by Boost in Prime, Says Fed Has Been Too Tight With Money

By RICH JAROSLOVSKY
And PAUL BLUSTEIN

Staff Reporters of THE WALL STREET JOURNAL
WASHINGTON — The White House sharply attacked the Federal Reserve Board's handling of the nation's money supply.

The attack, prompted by yesterday's rise in the prime lending rate, appeared designed to help President Reagan escape any election-year blame for the increase in interest rates and was unusual both in its tone and in its detail.

In a statement at the White House, spokesman Larry Speakes said the Fed has been too tight in its policies. The administration has been pressing the Fed to allow enough growth in the money supply to "assure noninflationary growth" in the economy. Mr. Speakes said, but "it appears the money supply is not accommodating real economic growth."

Until now, the administration had confined its public comments concerning the central bank's policies to subtle entreaties for "sufficient" growth in money and credit. But any sign of resurging interest rates, and the economic slowdown they could signal, would be a highly damaging blow to the president's reelection chances. Mr. Reagan has made the present economic recovery the centerpiece of his campaign for a second term.

Privately, at least, administration officials acknowledged the importance of the election in shaping their words. "We've got

credit conditions again," said Harold C. Nathan, vice president and senior financial economist at Wells Fargo Bank, San Francisco. He also predicted that the Fed soon will raise its discount rate, which is the fee the central bank charges on loans to banks and savings institutions.

Mr. Nathan said that recent labor statistics indicate that the economy's growth in the current quarter is "stronger than the Fed desires." If the Fed doesn't slow the pace of the economic expansion, "inflation could become a real danger" later this year, he said.

A discount-rate increase "seems necessary to keep borrowing by banks under control," said Michael L. Tindall, a money-market economist in the funds-management division of RepublicBank, Dallas. The discount rate was increased to the 9% level from 8½% early last month. That was the first rise in nearly three years.

The Reagan administration's criticism of the Fed isn't likely to deter Fed officials from raising the discount rate, Mr. Tindall said. "This is just typical election-year banter," he said. "The traditional pattern in presidential election years is for the Fed to hold credit conditions tight for as long as it can, and then to loosen in the second half of the year," he added.

Still, some analysts argued that interest rates will decline soon. "The prime-rate increase is sort of a last upward gasp in interest rates," said Robert A. Brusca, vice president and money-market economist at Irving Trust Co. "Market rates are likely to be headed downward in a month or so," he said.

Mr. Brusca attributed the recent surge in interest rates largely to special factors, including heavy borrowing by corporations to finance acquisitions and mergers. He said that the economy already is cooling and estimated that gross national product, adjusted for inflation, is growing at a 3% annual rate in the current quarter. That would be down sharply from the 6.3% clip in the first quarter.

"It would be a risky thing" for the Fed to tighten credit further at this time, Mr. Brusca argued. "If the Fed were to continue to tighten at this pace, it would slow the economy quite abruptly," he said. He predicted that yields on long-term Treasury bonds, now about 13½%, will dip to 13% by mid-year.

Interest rates have climbed to levels that are beginning to look attractive to some investment managers. Current yields of more than 13% on Treasury notes and bonds look "tempting," said Solon P. Patterson, president of Montag & Caldwell Inc., Atlanta. "It's hard for me to see, with inflation as low as it is, how interest rates could go much higher" this year. "We think these higher rates are going to help slow down the pace of the recovery."

Still, Mr. Patterson said that he remains reluctant to buy long-term bonds. For one thing, he doesn't see any significant drop in

April indicate that the second quarter will also be strong, he noted.

Other officials cited the election-year climate for provoking the White House statement. Many economists blame huge federal budget deficits, combined with strong private credit demand, for boosting rates, and the administration "has to blame someone else when the prime goes up," one official said.

Publicly, the White House denied that it wants the Fed to artificially pump up the election-year economy. Mr. Speakes said that if Fed Chairman Paul Volcker worries that a too-rapid expansion of the money supply might rekindle inflation, "he only needs to look at the record." The administration, the spokesman said, has "lived up to our promise of low inflation," and the Fed should be responding by allowing the money supply to rise. Instead, he complained, "they are at the absolute bottom of their target range."

The Fed is seeking 4% to 8% growth this year in the basic money supply, known as M1.

The spokesman denied that the huge budget deficits contributed to the Fed's stance. Board members, he said, "took into account" the size of the deficits when they set their target ranges for money growth, so "it would strain the point a bit" to argue that the deficits are a major factor.

Mr. Speakes, in his statement, stopped short of directly blaming the Fed chairman

and the board for the rise in the prime rate. But he and other officials left little doubt about their feelings.

Treasury Secretary Regan joined in the criticism of the central bank. "We're disappointed," he said in an interview. "We asked the Fed to supply enough money to

keep the recovery going."

Asked whether the Fed has kept an excessively tight grip on credit, he replied: "From our point of view, as rates go up, it

Please Turn to Page 25, Column 3

Angry White House Criticizes the Fed Over Monetary Policy

Continued From Page 3

an indication that things are on the tight side."

Just three days ago, Mr. Regan had expressed a conciliatory view of Fed policy, declaring on NBC's "Meet the Press" that "so far (the Fed has) been providing enough funds. I see no evidence of overtightening and I don't agree with those who think that they will overtighten."

A Treasury official said that Mr. Regan's change of heart was prompted by the prime-rate increase. The aide said that he rejects the notion that the Fed doesn't determine prime-rate changes, even though they changes are set by private commercial banks in response to overall money market conditions. The Fed's silence yesterday represented an "assent" to the banks' action, the aide said.

The Treasury official added: "All indications are that rampant inflation is nowhere in sight. But we've had three increases in the prime in recent weeks, which is an indication that the Fed isn't doing what we asked them to do. We're not going to have noninflationary growth if interest rates keep rising."

Other administration officials, however, cited the robust growth in the first quarter as evidence that the Fed is supplying sufficient money and credit to the economy. Although some measures of the money supply are at the low end of the Fed's target ranges, those measures are widely expected to surge this month, they noted.

"So you're left with rising interest rates" as the principal bone of contention between the White House and the Fed, one official said. Since the administration has admonished the Fed in the past over the inflationary dangers inherent in a policy aimed at driving down rates, "it's an awkward situation," the official said.

to set the stage in case interest rates keep going up," one senior official said. If the rates rise, he said, the effect on such sensitive industries as autos, housing and steel could pose major political problems for Mr. Reagan.

White House officials said the criticism of the Fed grew out of discussions yesterday morning that involved Mr. Reagan, White House chief of staff James Baker and Treasury Secretary Donald Regan.

Economic policy makers elsewhere in the administration evidently weren't consulted about the statement. Martin Feldstein, chairman of the Council of Economic Advisers, who has supported the Fed in the past, told reporters he didn't disapprove of the recently reported decision by the Fed at a meeting in late March to tighten its grip on credit conditions.

Other officials, in private, were more direct in decrying the White House statement, and one outside Reagan adviser, Herbert Stein, chief economist during the Nixon administration, said: "I don't think they ought to be nagging the Federal Reserve at this time. This is just the standard error we make in a recovery, pumping it up too rapidly. That's what gives us repeated spells of inflation."

Mr. Stein and other economists pointed out that the economy grew during the first quarter at a torrid 12.8% annual rate before adjustment for inflation, and 8.3% after inflation adjustment. "We can't go on with that" without rekindling inflation, Mr. Stein said. Moreover, employment statistics for

shorter-term notes are only slightly below those on long-term bonds. For example, the yield on seven-year Treasury securities is about 13%, compared with 13.1% on 30-year bonds.

Chase Manhattan's prime-rate increase was prompted by "an increase in the cost of our funds," said Kenneth A. Mills, a bank spokesman.

The previous increase in the banking industry's prime rate was on April 5, when the base rate on corporate loans was raised to 12% from 11½%. Since then, rates that banks pay for funds have risen sharply. For example, rates on large certificates of de-

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WP 5/9/84 P.1
White House Blames Fed

Prime Rate 12 1/2 %

By John M. Berry
 and Howard Kurtz
 Washington Post Staff Writers

Major commercial banks raised their prime lending rate from 12 percent to 12 1/2 percent yesterday, a move the White House immediately blamed on the Federal Reserve Board.

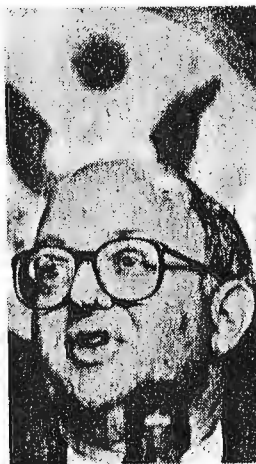
White House spokesman Larry Speakes said the Reagan administration was "disappointed" by the increase and declared, "We have been asking the Federal Reserve Board to allow sufficient monetary expansion to assure noninflationary growth. Although the economy has been growing at a healthy pace and inflation remains at a low level, it appears that the money supply is

not accommodating real economic growth."

Yesterday's bank action was the third rise in the prime rate—a base rate to which most bank loan rates are tied—since mid-March, when it was 11 percent.

Council of Economic Advisers Chairman Martin S. Feldstein, in apparent disagreement with the White House, told reporters that a Fed decision in late March to tighten credit conditions somewhat was "not inappropriate." He said the Fed's action was intended to move the various monetary aggregates, which were then all near the upper part of their target ranges, back toward the middle of those ranges.

See ECONOMY, A8, Col. 1



MARTIN S. FELDSTEIN
 ... in disagreement with White House

A8

Wednesday, May 9, 1984

THE WASHINGTON POST

White House Blames Fed for Prime Rate Increase

ECONOMY, From A1

Speakes complained that the money supply is "at the absolute bottom" of the Fed's target range for money growth, despite continued low inflation. "If they are afraid of inflation, as the chairman [Paul A. Volcker] has often indicated, he only needs to look at the record. It is very low," he said.

Asked why the White House was changing its view of Fed policy, Speakes replied: "The rise in interest rates."

Meanwhile, Feldstein said in a speech here that there are signs in financial markets pointing to "a significant rise in [short-term interest] rates over the next 18 months." He said that the current relationship between short- and long-term interest rates and the pattern shown in interest rate futures contracts indicates such increases. However, he emphasized, he is not necessarily predicting that the rise will occur.

Some private economists yesterday suggested that the White House

attack on the Fed was grounded in election-year politics rather than economics, particularly since real economic growth in the first quarter was at an 8.3 percent annual rate, well above the 5 percent rate forecast for this year by the administration.

A number of private economists also challenged the White House interpretation of what is happening in financial markets, saying that in their opinion the Federal Reserve was not responsible for the rise in rates. Instead, they blamed, as one put it, an "awesome" surge in private-sector credit demand.

Business borrowing from banks and in the commercial paper market rose a huge \$32 billion in the first four months of this year, at the same time that American households were also borrowing increasing amounts of money for mortgages and consumer goods, including cars.

"It isn't the Fed," said economist Allen Sinai of Lehman Bros. Kuhn Loeb. "It is the result of the surge in credit demand by the private sector

on top of the ongoing demand for funds by the Treasury.

"With other rates where they are now, 13 percent on the prime wouldn't be out of line . . .," he said.

Feldstein, in a telephone interview, said that on Monday, banks had to pay 11.2 percent on their large six-month certificates of deposit, less than a percentage point below the level of the prime at that time. "That obviously put great pressure on the prime," he said.

Many analysts predicted that rates would continue to rise. For instance, mortgage interest rates for conventional fixed-rate loans for new homes are now above 14 percent and Sinai said he expects them to reach 14 1/2 percent or 15 percent within a month.

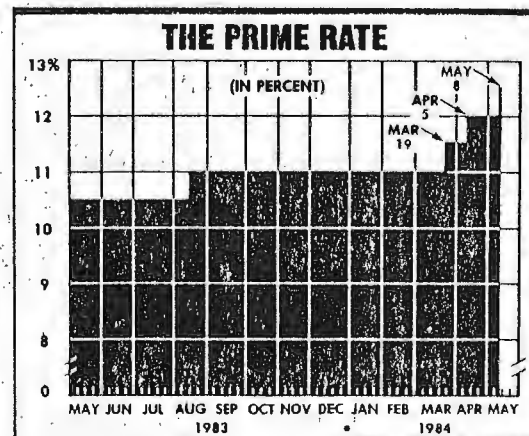
The rise in rates generally was underscored yesterday when the Treasury had to pay a 12.54 percent rate to sell \$8.54 billion worth of three-year notes, up from 10.96 percent at the previous such auction Feb. 15.

In his remarks, Speakes referred to the most volatile of the money measures, M1, which includes currency and travelers checks in circulation and checking deposits at financial institutions. He said it had grown at a 4 percent rate over the last 13 weeks, the bottom of the Fed's 4 percent-to-8 percent target range.

M1 has declined in the last month or so, but most analysts expect it to rebound sharply this month. In any event, the Federal Reserve uses average levels for monthly periods or longer in setting policy.

Speakes also said that M2—a broader measure that includes M1 plus savings and small time deposits and some other items—had grown at only a 6 percent rate over the last 13 weeks, also at the bottom of its range.

The Fed has a 6 percent-to-9 percent growth range for M2 for this year, but analysts were puzzled by Speakes' statement, since M2 is published only on a monthly basis.



White House Blames Fed's Tight Monetary Rein

By STEVEN R. WEISMAN

Special to The New York Times

WASHINGTON, May 8 — The White House, concerned that the latest rise in the prime rate could hamper the economy as the election approaches, today attributed the half-point increase to what it said was an overly tight grip on the money supply by the Federal Reserve Board.

"We are disappointed that the prime interest rate has increased to 12½ percent," said Larry Speakes, the White House spokesman, in a statement. He added that, "although the economy has been growing at a healthy pace and inflation remains at a low level, it appears the money supply is not accommodating real economic growth."

The Chase Manhattan Bank was the first bank to announce its rate rise today and its action was quickly followed by other major banks across the country.

A spokesman for the Federal Reserve Board said there would be no comment on the criticism by Mr. Speakes.

The statement by Mr. Speakes was the strongest White House criticism of the Fed since the onset of the recession in 1982. Then, as now, the White House was concerned that high interest rates would choke off economic growth.

But Wall Street experts on the Fed offer a wholly different view. "There's not a shred of evidence that the Fed is not accommodating the recovery," said John Paulus, chief economist at the investment banking firm of Morgan Stanley & Company. "It's election-year politics as usual."

Muted Alarms Issued

In recent months, some Administration economists have issued muted alarms about the Fed's policy of curbing the growth of the supply of money. These economists agree that a generally strict monetary policy helps curb inflation, but some fear that, if

the money supply is kept too tight, interest rates will rise.

Others argue that a tight policy is in order, but that there should be greater efforts to reduce the Federal budget deficit. These economists, some of them in the Administration, privately express disappointment that President Reagan is not making more of an effort to reduce the deficit this year.

A White House official said the continuing debate among Administration economists had heated up recently as it became obvious that the Fed was keeping a tight rein on the money supply. "The pattern of their action is just now becoming clear," said the official, who asked not to be identified.

Mr. Speakes said the Fed had kept to "the absolute bottom" of its target range for growth of the money supply. He added that the target for the growth of the M-1 measure — which includes currency, traveler's checks and checking accounts — had been between 4 and 8 percent. But in the

last 13 weeks, he said, the growth had been 4 percent.

Similarly, he said, for the M-2 measure — which includes M-1 plus Eurodollars, money market funds and savings deposits — the target range had been 6 to 9 percent, but the growth rate for the last 13 weeks had been 6 percent.

'Systematic Predictable Pace'

The Treasury's top economist, Assistant Secretary Manuel H. Johnson, also argued today that the Fed had been standing aside as interest rates have risen and growth of M-1 has slipped below the range the Fed had set for it this year. He urged, instead, that it be allowed to grow at the upper half of the range, at a rate of 6 to 8 percent. "What they ought to be doing," he said, "is allowing money to grow at a systematic predictable pace."

The money supply figures, however, are nearly meaningless now, Fed watchers say. For example, M-1 has been distorted by the addition of negotiable order of withdrawal accounts, so it may have been reduced because NOW account customers are moving their funds into other investments.

More important, said Mr. Paulus of Morgan Stanley, was the Fed's gauge for the growth of credit, its measure of consumer and business borrowing. The Fed set a range for it this year of 8 to 11 percent, but it has been growing at a rate of 12 to 13 percent, evidence, he added, that the Fed has been accommodating the recovery.

"Rates are going up," said Allen Sinai, chief economist at Lehman Brothers Kuhn Loeb, "because we're having an explosion of private-sector credit demand on top of a flood of Treasury borrowing" to support Federal budget deficits.

History of Ups and Downs

The White House has had a history of ups and downs in its relation with the Fed and its chairman, Paul A. Volcker. Despite the fact that Mr. Volcker was reappointed to his post by President Reagan last August, White House officials have frequently expressed the hope that the Fed would not tighten money so greatly as to choke off the economic recovery.

But the Administration's view is not monolithic; a debate has been going on for months between Treasury Secretary Donald T. Regan and Martin S. Feldstein, chairman of the President's Council of Economic Advisers.

Mr. Regan has been more quick to criticize the Fed for its tight-money policies, as he was in 1981 and 1982, and Mr. Feldstein has been more quick to attribute the problem of high interest rates to the large Federal deficit.

Feldstein Support Cited

But a White House official said today that Mr. Feldstein supported the statement putting the responsibility for the rise in the prime rate on the Fed.

Further complicating the issue is the disagreement among economists about the link between the money supply and interest rates. Some argue that an overly tight money supply causes interest rates to rise, others that an overly expansive money supply also causes interest rates to rise because it raises prospects of more inflation.

A White House official said today that the Administration position was that both an overly tight and overly expansive money supply were to be avoided.

Pound hits record low; dollar rises

NEW YORK (UPI) — The British pound hit a record low yesterday and the dollar was propelled upwards against other currencies by a rise in U.S. interest rates.

The pound's closing \$1.3835 was its lowest ever in London. Sterling briefly touched \$1.3775 in what dealers said was nervous trading.

In Zurich gold fell \$3 from Monday's close to \$371.50 an ounce. In London, after Monday's holiday, gold finished at \$372.25, down \$4.50 from Friday.

In New York, Republic Bank quoted the cash price of gold at \$373.50, up from Monday's \$372.25. The New York Commodity Exchange settled the May contract at \$373.60, up from \$371.90.

Silver rose to \$8.685 an ounce from \$8.615 on the cash market. The Comex settled the May contract at \$8.684, up from \$8.608.

The dollar's upward surge, which began late Friday in New York and continued through Monday, gained further impetus when major U.S. banks hiked their prime lending rates. This only confirmed the recent rise in money market rates that fueled the dollar's advance.

There was some profit-taking in New York after the Fed supplied reserves to the banking system in a way that indicated the high level of overnight interest rates did not represent its policy wishes.

The pound's London finish of \$1.3835 compared with Friday's \$1.4095. In New York sterling finished at \$1.3845 compared with Monday's \$1.3830.

Paris markets were closed for a holiday but in New York the dollar was rated at 8.5180 francs compared with 8.5030 Monday.

In Tokyo the dollar soared to 228.90 yen, up from 228.05 Monday. In New York it was rated at 228.90 compared with 229.40 Monday.

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WSJ P. 33 5/9/84

U.S. Goods Lose Ranking As Favorites in Britain

LONDON (UPI) — American products have fallen out of favor in Britain in the past two decades, and West German goods have become the most preferred.

According to a survey conducted by Gallup Organization Inc. for the Daily Telegraph, only 22% of those interviewed said they would prefer goods made in the U.S., down from 62% in a similar study conducted in 1960. In the new study, 56% said they preferred West German products. Japan, New Zealand and Switzerland also came in ahead of the U.S.

The Telegraph said people were shown a list of 31 countries and asked which, in order of preference, they thought produced goods of the highest quality. The rest of the 10 most favored countries were Canada, Sweden, Argentina, France and the Netherlands.

The poll also asked which country's goods Britons would "rather not" buy unless there wasn't any alternative. Argentina, which fought a war with Britain over the Falkland Islands in 1982, topped the "rather not" category. Japan held that spot in 1960.

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AM-BUSH (2 TAKES)

BUSH CALLS ON JAPAN TO LOWER TARIFFS ON LUMBER AND WINE
TOKYO, MAY 8; REUTER - VICE PRESIDENT GEORGE BUSH ARRIVED
TODAY FOR A THREE-DAY VISIT AND IMMEDIATELY CALLED ON JAPAN TO
LOWER TARIFFS ON IMPORTS OF WOOD AND WINE; FOREIGN MINISTRY
SOURCES SAID.

BUT BUSH, WHO HAD A MEETING WITH FOREIGN MINISTER SHINTARO
ABE, ACKNOWLEDGED THAT MEASURES BY JAPAN TO OPEN UP ITS HOME
MARKET HAD MADE TRADE DISPUTES LESS OF A PRESSING ISSUE; THE
SOURCES SAID.

HIS VISIT FOLLOWED THE ANNOUNCEMENT LATE LAST MONTH OF A
NEW PACKAGE OF MEASURES AIMED AT OPENING JAPAN'S MARKET TO
FOREIGN GOODS, INCLUDING CUTS IN TARIFFS.

IN HIS ARRIVAL STATEMENT, BUSH SAID: "THE PRESIDENT AND I
ARE PLEASED THAT PROGRESS HAS BEEN MADE; BUT I HAVE TO
EMPHASIZE THAT MORE NEEDS TO BE DONE NOW AND IN THE FUTURE."

HE ADDED: "WE ARE LOOKING FORWARD TO SIGNIFICANT RESULTS
WHEN THE CAPITAL MARKETS LIBERALIZATION MEASURES ARE
ANNOUNCED."

ABE TOLD BUSH HE BELIEVED A MAJOR PART OF THE TRADE DISPUTE
HAD BEEN SETTLED; ALTHOUGH HE RECOGNIZED THERE WERE AREAS IN
WHICH THE UNITED STATES WAS STILL DISSATISFIED; THE SOURCES
SAID.

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AM-BUSH 2 TOKYO

BUSH ASKED JAPAN TO TRY TO RESOLVE REMAINING PROBLEMS SUCH
AS TARIFFS ON LUMBER AND WINE AND THE LIBERALIZATION OF THE
JAPANESE CAPITAL MARKET; ACCORDING TO THE SOURCES.

HE SAID AN ACCORD REACHED LAST MONTH ON JAPAN'S IMPORT
QUOTAS FOR BEEF AND CITRUS FRUITS WOULD DO LITTLE TO REDUCE THE
LARGE U.S. TRADE DEFICIT WITH JAPAN; WHICH TOTALLED \$18.13
BILLION IN 1983.

THE VICE PRESIDENT SAID WASHINGTON WAS NOT SEEKING UNFAIR
CONCESSIONS FROM JAPAN.

TOMORROW, BUSH IS SCHEDULED TO HAVE BREAKFAST WITH JAPANESE
CABINET MINISTERS CONCERNED WITH ECONOMIC AFFAIRS AND HOLD
TALKS WITH PRIME MINISTER YASUHIRO NAKASONE.

NATIONAL

COUNCIL

Ø9MY84

Bill Martin
Cathy Borgerson

Re Europe film script, attached
are two key inserts (at paper-clips)
which address the concerns we
addressed. Note that the language
in Insert #2 is a direct quote from
the analytical piece I tasked from
the Agency's EURA office (Alan R.
Paxton, Chief, Western Europe Div -
351-7254).

Jim R.

~~SECRET~~ NOFORN NOCONTRACT ORCON

30417

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

MR. PRESIDENT, THIS IS A STEP-BY-STEP ACCOUNT OF YOUR UPCOMING TRIP TO IRELAND, GREAT BRITAIN, AND THE NORMANDY COAST OF FRANCE. ITS AIM IS TO ACQUAINT YOU WITH THE VARIOUS PLACES YOU WILL VISIT AND SOME OF THE QUESTIONS YOU MAY ENCOUNTER.

UPON LEAVING WASHINGTON AT 9 A.M. OUR TIME ON FRIDAY, JUNE 1ST, YOU WILL FLY DIRECTLY TO SHANNON, ARRIVING THERE AT 8:20 P.M. THEIR TIME. SHANNON AIRPORT, WHERE YOU'LL BE WELCOMED BY PRIME MINISTER FITZGERALD, IS LOCATED ON ONE OF THE BROADER EXPANSES OF THE SHANNON RIVER IN THE SOUTHWESTERN COUNTY OF CLARE. COMPARED TO WASHINGTON IN JUNE, THE IRISH CLIMATE TENDS TO BE ON THE COOL SIDE WITH SUMMER DAYTIME TEMPERATURES AVERAGING AROUND 60 DEGREES.

FOLLOWING A BRIEF ARRIVAL CEREMONY, YOUR HELICOPTER WILL TAKE YOU NORTH TO ASHFORD

DECLASSIFIED

NLRR F02-071/2TH 30417

BY CH NARA DATE 10/16/07

~~SECRET~~ NOFORN NOCONTRACT ORCON

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

CASTLE IN GALWAY. THIS IS A HALF-HOUR TRIP. ASHFORD CASTLE, WHICH IS NOW A LUXURY HOTEL SET IN MAGNIFICENT GROUNDS, HAS A HISTORY GOING BACK TO THE DE BURGO FAMILY WHICH CAME TO THE WEST OF IRELAND IN 1228. THEY BUILT THE CASTLE AND RULED AN ALMOST INDEPENDENT KINGDOM UNTIL IT WAS SEIZED AND FORTIFIED BY QUEEN ELIZABETH THE FIRST. WITH ITS COMMANDING POSITION OVER THE SURROUNDING COUNTRYSIDE, IT IS EASY TO UNDERSTAND ITS APPEAL.

IN MID-AFTERNOON SATURDAY, YOU AND MRS. REAGAN ARE SCHEDULED TO MAKE A 15-MINUTE FLIGHT TO THE GALWAY LANDING ZONE AND THEN BE DRIVEN TO GALWAY'S UNIVERSITY COLLEGE FOR A SPECIAL CEREMONY. UNIVERSITY COLLEGE, WHICH IS CELEBRATING THE 500TH ANNIVERSARY OF GALWAY, WAS FOUNDED IN THE MID-1800S AND IS ONE OF THE CONSTITUENT SCHOOLS OF THE NATIONAL UNIVERSITY OF

NATIONAL SECURITY COUNCIL

Prospects for the warmest of possible
receptions by Irish officialdom and
the Irish public at large will, ~~be~~ ^{be of considerable}
high throughout your stay in this
country. Nevertheless, a number of
leftist organizations - for example the
Union of Students in Ireland, the Irish
Women's Workers Union, and the Galway
Campaign ~~Against~~ For Nuclear Disarmament -
have indicated plans to stage demonstra-
tions or draw attention to themselves
during your visit. There is a possibility
that students and academics might attempt
some form of disrupting incident ~~during~~
~~the~~ at the time of the University College
ceremony in Galway, using as a rallying
point opposition to U.S. policies on
Central America and arms control.

~~SECRET NOFORN NOCONTRACT ORCON~~

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

IRELAND. THE OLDER BUILDINGS ARE OF THE TUDOR
STYLE OF ARCHITECTURE, MORE REMINISCENT OF AN
ENGLISH RATHER THAN IRISH UNIVERSITY TOWN. NEWER
BUILDINGS HAVE BEEN ADDED, TESTIFYING TO THE
DEMAND FOR HIGHER EDUCATION WHICH IS VERY MUCH A
PART OF GALWAY TRADITION. THE UNIVERSITY HOUSES
THE "NATIONAL CENTER FOR APPLIED PHYSICS" AND THE
"HEADQUARTERS OF MARINE SCIENCE RESEARCH".

Insert B1

ON SUNDAY, A LITTLE AFTER NOON, YOU AND MRS.
REAGAN WILL LEAVE ASHFORD CASTLE FOR A ONE-HOUR
HELICOPTER FLIGHT TO THE HEART OF IRELAND'S
DAIRYLAND AND THE VILLAGE OF BALLYPOREEN IN
TIPPERARY WHERE YOUR PATERNAL GREAT-GRANDFATHER
WAS BORN. YOU WILL MEET WITH FATHER MURPHY AT
THE CHURCH OF THE ASSUMPTION FOR A BRIEF VISIT
AND BENEDICTION SERVICE AND THEN TAKE A SHORT
WALK TO " FARRELL'S PUB" FOR LUNCH IN THE
"RONALD REAGAN LOUNGE". AFTER LUNCH, THERE WILL

~~SECRET NOFORN NOCONTRACT ORCON~~

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

BE A CULTURAL PERFORMANCE BY THE TOWN COMMITTEE
AT THE VILLAGE SQUARE.

AT 3 P.M., YOU AND MRS REAGAN WILL BOARD THE
HELICOPTER FOR THE HOUR'S FLIGHT TO THE
AMBASSADOR'S RESIDENCE AT DEERFIELD IN DUBLIN...
AND AROUND 4:30 YOU'LL BE DRIVEN THE SHORT
DISTANCE TO PRESIDENT HILLARY'S RESIDENCE AT
ARAS, AN UACHTARAIN FOR A PRIVATE MEETING AND
BRIEF TREE-PLANTING CEREMONY.

THAT EVENING YOU AND MRS. REAGAN WILL ATTEND
A STATE DINNER WITH PRIME MINISTER AND
MRS. FITZGERALD AT DUBLIN CASTLE. AS YOU KNOW,
THE PRIME MINISTER IS A RESPECTED AND TRUSTED
LEADER, AND GENERALLY MORE POPULAR THAN HIS
FINE GAEL PARTY. FOR THE PRESENT, HIS PARTY'S
COALITION WITH LABOR IS SOLID, BUT BUDGET AND
TAX PROBLEMS COULD TEST ITS COHESIVENESS. HE

~~SECRET NOFORN NOCONTRACT ORCON~~

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

IS ESPECIALLY CONCERNED ABOUT THE DIVISIVENESS OF THE NORTHERN IRELAND ISSUE....EVEN CATHOLIC MODERATES IN THE REPUBLIC CANNOT AGREE ON A SOLUTION. HE FEARS THE ISSUE IS DISTRACTING ATTENTION FROM HIS EFFORTS TO DEAL WITH HIS COUNTRY'S ECONOMIC PROGRAMS. AS YOU KNOW, THE "NEW IRELAND FORUM" HAS SUGGESTED SEVERAL OPTIONS TO REACH A NORTHERN IRELAND SETTLEMENT. NONE OF THE PROPOSALS IS ACCEPTABLE TO THE PROTESTANTS, BUT FITZGERALD BELIEVES SOME JOINT SOVEREIGNTY ARRANGEMENT ON ECONOMIC AND SECURITY MATTERS WOULD BE A USEFUL FIRST STEP. RECENT REPORTING FROM DUBLIN SUGGESTS FITZGERALD HOPES YOU WILL SUPPORT HIS EFFORTS AND DISCREETLY URGE PRIME MINISTER THATCHER TO KEEP AN OPEN MIND ON FURTHER NEGOTIATIONS.

ON MONDAY MORNING, JUNE 4TH, YOU ARE SCHEDULED FOR A WORKING BREAKFAST WHILE MRS. REAGAN LEAVES

~~SECRET NOFORN NOCONTRACT ORCON~~

NATIONAL SECURITY COUNCIL

SECRET

The greatest prospect for an embarrassing incident mounted by anti-U.S. demonstrators, ^{in our view,} ~~in our view,~~ could occur during this occasion in the form of leftwing Dail members who may attempt to stage a walkout during your speech or organize a boycott of the speech itself.

(NB. from JR: this language taken directly from Agency analysis of 3 May))

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

AROUND MID-MORNING FOR A BRIEF TOUR OF THE
"ROYAL COLLEGE OF SURGEONS" AND AN UNVEILING OF
A PORTRAIT OF MRS. REAGAN'S FATHER, DR. LLOYAL
DAVIS. AROUND 11:20, MR. PRESIDENT, YOU WILL
LEAVE FOR LEINSTER HOUSE AND A MEETING WITH
PRIME MINISTER FITZGERALD WHERE YOU'LL BE JOINED
BY MRS. REAGAN FOR YOUR ADDRESS TO THE JOINT
SESSION OF PARLIAMENT AT NOON. ~~AS YOU APPROACH~~
~~THE FRONT OF LEINSTER HOUSE, YOU WILL NOTE THE~~
~~STRIKING RESEMBLANCE TO THE WHITE HOUSE.~~

~~X~~
INSERT # 2

FOLLOWING YOUR ADDRESS AND RETURN TO DEERFIELD,
YOU AND MRS. REAGAN WILL JOIN A RECEIVING LINE
IN THE CORAL SITTING ROOM AND THEN HOST A
RECIPROCAL LUNCHEON IN HONOR OF THE PRIME
MINISTER IN THE BALLROOM.

IT IS WORTH NOTING, MR. PRESIDENT, THAT THE

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

IRISH LOOK UPON YOUR VISIT AS A SYMBOL OF THE FRIENDSHIP BETWEEN OUR COUNTRIES, AND AS A CHANCE TO PROMOTE U.S. TOURISM AND PRIVATE INVESTMENT IN IRELAND. IN ADDITION TO IRISH AND BILATERAL ISSUES, THEIR LEADERS MAY WANT TO DISCUSS THE EUROPEAN COMMUNITY'S BUDGETARY AND FINANCIAL PROBLEMS AND THE PROSPECTS FOR OUR EFFORTS ON ARMS REDUCTIONS.

AFTER LUNCH YOU'LL BE DRIVEN TO DUBLIN AIRPORT FOR A BRIEF DEPARTURE CEREMONY. "AIR FORCE ONE" TAKES OFF AT 3:30 FOR THE ONE-HOUR FLIGHT TO LONDON, WHERE DAYTIME TEMPERATURES AT THIS TIME OF YEAR RISE TO THE PLEASANT UPPER 60S.

UPON ARRIVING IN LONDON YOU WILL BE HELICOPTERED TO WINFIELD HOUSE, A 15-MINUTE FLIGHT. ABOUT AN HOUR LATER, YOU'LL BE DRIVEN TO KENSINGTON PALACE OVERLOOKING THE BEAUTIFUL KENSINGTON GARDENS FOR

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO ..

AN OFFICIAL WELCOMING CEREMONY AND TEA WITH PRIME MINISTER THATCHER IN THE ORANGERY.

ON TUESDAY THE 5TH, MR. PRESIDENT, YOU AND MRS. REAGAN ARE SCHEDULED TO MAKE A TEN-MINUTE DRIVE TO BUCKINGHAM PALACE FOR A 1 P.M. PRIVATE LUNCHEON WITH QUEEN ELIZABETH AND PRINCE PHILIP. DURING THE REMAINDER OF THE AFTERNOON, A TELEVISION INTERVIEW HAS BEEN SCHEDULED AT WINFIELD HOUSE, PROBABLY WITH BBC REPORTER ALASTAIR BURNET.

AT 5:45 P.M., YOU ARE SCHEDULED TO GO TO #10 DOWNING STREET FOR A MEETING WITH PRIME MINISTER THATCHER. MRS. THATCHER REMAINS THE DOMINANT POLITICAL FIGURE IN BRITAIN EVEN THOUGH THERE ARE GROWING CONCERNS WITHIN HER OWN PARTY THAT HER SECOND TERM LACKS DIRECTION. NEVERTHELESS, SHE HAS ALREADY HINTED AT HER INTENTION TO LEAD HER PARTY IN THE NEXT ELECTIONS, WHICH DO NOT HAVE

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

TO BE HELD UNTIL 1988.

THE PRIME MINISTER HAS STOOD BY HER ECONOMIC COURSE OF CUTTING SOCIAL SPENDING AND LESSENING THE ROLE OF GOVERNMENT IN THE COUNTRY'S ECONOMIC LIFE. RECENT GROWTH FORECASTS HAVE BEEN FAVORABLE, BUT STRIKES BY COAL MINERS COULD LEAD TO WIDE SPREAD LABOR PROBLEMS THIS SUMMER IF MINE UNION LEADER ARTHUR SCARGILL HAS HIS WAY. DURING THE SUMMIT MEETINGS SHE WILL CONCENTRATE ON THE IMPORTANCE OF WESTERN DEFENSE EFFORTS AND CUTTING GOVERNMENT SPENDING, AND HER RECENT EXPERIENCE WITH LIBYAN TERRORISTS MAY MAKE HER MORE AMENABLE TO JOINT ACTION AGAINST THE WORLDWIDE TERRORIST THREAT.

FOLLOWING THIS MEETING, THERE WILL BE A RECEPTION AND THEN A WORKING DINNER HOSTED BY MRS. THATCHER AND INCLUDING APPROXIMATELY 12 GUESTS.

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

ON WEDNESDAY, JUNE 6TH, A LATE MORNING MEETING WITH JAPANESE PRIME MINISTER NAKASONE IS ENTERED IN YOUR SCHEDULE. THE PRIME MINISTER PROBABLY WILL FOLLOW UP ON YOUR NOVEMBER VISIT TO JAPAN AND EXPRESS APPRECIATION FOR YOUR EFFORTS TO CONTAIN PROTECTIONISM. HE CAN, RIGHTFULLY, TAKE SOME PERSONAL CREDIT FOR RECENT PROGRESS ON ECONOMIC ISSUES, INCLUDING THE BEEF AND CITRUS AGREEMENTS. AT THE SAME TIME, HE WILL EMPHASIZE THAT HE IS FACING A PARTY ELECTION IN NOVEMBER, AS WELL AS A HEAVY DOMESTIC LEGISLATIVE SCHEDULE. HE WILL SAY THAT FURTHER PROGRESS ON OUTSTANDING BILATERAL ISSUES SHOULD PROCEED AT A MEASURED PACE.... AND HE MAY SOLICIT COMMENTS ON YOUR CHINA TRIP, AND WANT TO DISCUSS REDUCING TENSIONS IN KOREA.

FOLLOWING YOUR MEETING WITH NAKASONE, YOU ARE SCHEDULED TO FLY AT NOON BY HELICOPTER TO

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

HISTORIC NORMANDY TO COMMEMORATE THE
FORTIETH ANNIVERSARY OF THE ALLIED INVASION ON
"D-DAY". UPON ARRIVING, YOU WILL FIRST VISIT
"POINTE DU HOC" AND THE RANGER MEMORIAL. THIS
MEMORIAL COVERS MORE THAN 30 ACRES AND IS THE
BATTLEGROUND WHERE COL. EARL RUDDER'S 2ND RANGER
BATTALION SCALED THE 100-FOOT CLIFFS ON THE
MORNING OF JUNE 6TH, 1944 TO SEIZE THE FORTIFIED
ENEMY POSITION WHICH CONTROLLED THE LANDING
APPROACHES TO OMAHA AND UTAH BEACHES. THERE WILL
BE MORE THAN 100 RANGERS FROM THAT OPERATION
PRESENT FOR THE CEREMONY.

FROM THERE, AT 3 P.M., YOU'LL MAKE A 10-MINUTE
FLIGHT EAST TO OMAHA BEACH AND GO TO THE VISITORS'
CENTER, THE CHAPEL, AND THEN TO THE ROOSEVELT
BROTHERS' GRAVESITE FOR A BRIEF WREATH-LAYING
CEREMONY.

~~SECRET NOFORN NOCONTRACT ORCON~~

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

RETURNING TO THE VISITOR'S CENTER AROUND 4, YOU WILL BE MET BY FRENCH PRESIDENT MITTERRAND FOR A CEREMONY AT THE OMAHA BEACH MEMORIAL. FROM THERE, YOU WILL BE FLOWN WEST TO UTAH BEACH ON THE OTHER SIDE OF "POINTE DU HOC", ABOUT A 15-MINUTE FLIGHT. AT 5 O'CLOCK, THERE WILL BE A COMMEMORATIVE CEREMONY INCLUDING HEADS OF STATE FROM FRANCE, BELGIUM, THE NETHERLANDS, NORWAY, CANADA, AND GREAT BRITAIN. AT THE CONCLUSION OF CEREMONIES, YOU AND MRS. REAGAN WILL FLY BACK TO WINFIELD HOUSE IN LONDON.

ON THURSDAY, JUNE 7TH, MR. PRESIDENT, YOUR DAY WILL BEGIN WITH A WORKING BREAKFAST AND BRIEFINGS ON THE LONDON ECONOMIC SUMMIT. DURING THIS TIME, MRS. REAGAN MAY MAKE COURTESY CALLS ON PRINCE CHARLES AND LADY DIANA AT KENSINGTON PALACE. YOUR AFTERNOON, MR. PRESIDENT, HAS BEEN SET ASIDE FOR MEETINGS WITH OTHER LEADERS. IN THE

~~SECRET NOFORN NOCONTRACT ORCON~~

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

EVENING, WHILE MRS. REAGAN REMAINS AT WINFIELD HOUSE FOR A DINNER IN HER HONOR, YOU ARE SCHEDULED TO GO FIRST TO ST. JAMES PALACE FOR A RECEPTION WITH OTHER SUMMIT LEADERS, AND THEN TO 10 DOWNING STREET FOR A WORKING DINNER WITH THOSE LEADERS.

DURING THE THREE DAYS OF SUMMIT MEETINGS, MR. PRESIDENT, THE MAIN FOCUS WILL BE ON ECONOMIC ISSUES. VARIOUS POLITICAL ISSUES, HOWEVER, ARE LIKELY TO BE RAISED ON THE PERIPHERY.

CHANCELLOR KOHL MAY FEEL A BIT BRUISED BY THE NORMANDY COMMEMORATION, DESPITE ITS THEME OF RECONCILIATION. NEVERTHELESS, THE CHANCELLOR IS IN A STRONG POLITICAL POSITION. HIS COALITION GOVERNMENT IS SECURE, DESPITE SOME CHARGES HE HAS NOT MEASURED UP TO THE STRONG LEADERSHIP STANDARDS OF HIS PREDECESSORS, WILLY

THE PRESIDENT IN EUROPE

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VIDEO

AUDIO

BRANDT AND HELMUT SCHMIDT. HE WILL BE ANXIOUS TO HAVE THE SUMMIT REAFFIRM THAT ECONOMIC RECOVERY IS UNDERWAY IN ORDER TO BOLSTER WEST GERMAN BUSINESS CONFIDENCE AND LAGGING INVESTMENT. ON THE POLITICAL SIDE, HE IS LIKELY TO CONTINUE HIS PUSH FOR AN AMERICAN GESTURE TO IMPROVE THE EAST-WEST POLITICAL CLIMATE AND MAKE PROGRESS ON ARMS CONTROL.

PRESIDENT MITTERRAND'S PRESIDENTIAL TERM IS SECURE UNTIL 1988. NEVERTHELESS, HE HAS BEEN FACING INCREASING POLITICAL AND ECONOMIC DIFFICULTIES LATELY, ESPECIALLY AS HE TRIES TO CORRECT THE LARGE TRADE DEFICITS AND HIGH INFLATION RATE THAT RESULTED FROM HIS INITIAL ECONOMIC EXPANSIONARY POLICIES. AUSTERITY MEASURES HAVE ALLEVIATED THESE PROBLEMS SOMEWHAT RECENTLY, BUT MAY LEAD TO THE DEFECTION OF THE COMMUNIST PARTY FROM HIS COALITION. IF THE

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

COMMUNISTS GO INTO OPPOSITION, MORE LABOR STRIFE COULD RESULT THIS FALL. ALTHOUGH HIS OVERALL RATING IN PUBLIC OPINION POLLS IS LOWER THAN HIS FIFTH REPUBLIC PREDECESSORS, HE STILL GETS GOOD MARKS ON FOREIGN POLICY. HE IS LIKELY TO REITERATE FRANCE'S SUPPORT FOR THE U.S. ROLE IN THE DEFENSE OF EUROPE, INCLUDING A FIRM POSITION ON ARMS NEGOTIATIONS. RECENT REPORTING FROM PARIS SUGGESTS HE ALSO MAY WANT TO TALK TO YOU ABOUT THE MIDDLE EAST, CHAD, AND THE PERSIAN GULF.

ITALIAN PRIME MINISTER CRAXI IS HAVING DIFFICULTY KEEPING HIS FIVE-PARTY COALITION TOGETHER WHILE HAMMERING OUT MEANINGFUL ECONOMIC LEGISLATION. IN PARTICULAR, HE IS TRYING TO BREAK THE LINK BETWEEN WAGES AND PRICES, AND TRYING TO LIMIT THE BUDGET DEFICIT. KEY PIECES OF LEGISLATION ARE BEING OPPOSED IN PARLIAMENT BY THE COMMUNISTS, WHO ARE ATTEMPTING TO SHOW THAT ITALY CANNOT BE

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

GOVERNED WITHOUT THEIR ACQUIESCENCE. CRAXI'S PROBLEMS ARE ALMOST IMPOSSIBLE TO RESOLVE BECAUSE OF POLITICAL PATRONAGE, MULTI-PARTY COALITIONS, AND A HUGE UNDERGROUND ECONOMY THAT FAILS TO RESPOND, OR RESPONDS PERVERSELY, TO ECONOMIC POLICY. NEVERTHELESS, CRAXI IS HOPEFUL THE SUMMIT WILL BOLSTER A "STATESMAN" IMAGE AT HOME. SOME REPORTS INDICATE HE WILL RAISE EAST-WEST ISSUES WITH YOU, ESPECIALLY MISSILE DEPLOYMENTS.

AS YOU KNOW, PRIME MINISTER TRUDEAU HAS ANNOUNCED HE WILL RETIRE TWO WEEKS AFTER THE SUMMIT. POLITICAL ANALYSTS HAVE BEEN SPECULATING THAT HE WILL WANT TO LEAVE HIS MARK ON THE CONFERENCE. ALTHOUGH A SOLID RECOVERY IS UNDERWAY IN CANADA, TRUDEAU IS CONCERNED THAT HIGH U.S. INTEREST RATES COULD KNOCK IT OFF TRACK AND CONTINUING U.S. BUDGET DEFICITS WILL REFUEL CANADIAN INFLATION. OF GREATEST CONCERN, HOWEVER,

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

IS THE ISSUE OF ACID RAIN. TRUDEAU MAY HAVE GAINED THE SUPPORT OF CHANCELLOR KOHL FOR A PROPOSAL TO REDUCE SULPHUR DIOXIDE EMISSIONS BY 30 PER CENT IN THE BIG SEVEN COUNTRIES. HE ALSO MAY RAISE U.S. CENTRAL AMERICAN POLICY, NUCLEAR ARMS NEGOTIATIONS, AND HIS OWN WORLD PEACE INITIATIVE.

ON FRIDAY, MR. PRESIDENT, YOU ARE SCHEDULED TO LEAVE AT 9:20 FOR LANCASTER HOUSE WHERE THERE WILL BE A PHOTO SESSION AND THEN A MEETING WITH SUMMIT LEADERS. THIS WILL BE FOLLOWED BY A BRIEF WORKING SESSION ON WASHINGTON MATTERS. DURING THIS TIME, MRS. REAGAN WILL GO TO THE "BEAUCHAMP LODGE SETTLEMENT HOUSE" FOR A MEETING WITH THE DIRECTOR OF THE "FOSTER GRANDPARENTS PROGRAM" AND JOIN THE CHILDREN FOR THEIR ART PROGRAM AND A BOAT RIDE.

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

AFTER A WORKING LUNCHEON WITH THE U.S. DELEGATION, MR. PRESIDENT, THERE WILL BE A PLENARY SUMMIT SESSION FROM 2:30 'TIL 5. AROUND 7:30, WHILE MRS. REAGAN IS ATTENDING A DINNER AT THE "HEINZ RESIDENCE ASCOT", YOU WILL BE GOING TO THE NATIONAL PORTRAIT GALLERY FOR A WORKING DINNER WITH THE OTHER SUMMIT LEADERS.

ON SATURDAY, JUNE 9TH, YOU ARE SCHEDULED TO LEAVE FOR LANCASTER HOUSE AT 9:20 AND A FURTHER SUMMIT MEETING. MRS. REAGAN MAY ATTEND AN "AMERICAN COMMUNITY WIVES" RECEPTION.

AT 1 P.M., MR. PRESIDENT, YOU'LL RETURN TO WINFIELD HOUSE PRIOR TO A 3:25 DEPARTURE FOR GUILD HALL AND A RECEPTION WITH SUMMIT LEADERS.

AFTER THIS FINAL SUMMIT MEETING, THERE WILL BE JOINT STATEMENT TO THE PRESS SHORTLY AFTER 4 O'CLOCK AND A RETURN TO WINFIELD HOUSE ABOUT 20

THE PRESIDENT IN EUROPE

2 MAY 1984

VIDEO

AUDIO

MINUTES LATER. THIS FINAL DAY OF THE SUMMIT
CONFERENCE WILL END WITH A STATE DINNER AT
BUCKINGHAM PALACE.

ON SUNDAY, JUNE 10TH, YOU AND MRS. REAGAN WILL
PROCEED TO WINFIELD TERRACE FOR A MEETING WITH
EMBASSY PERSONNEL AND THEN TO HEATHROW AIRPORT
FOR THE RETURN TRIP HOME. DEPARTURE TIME IS
10:50 LOCAL TIME AND WITH THE FIVE-HOUR TIME
DIFFERENCE, YOU WILL ARRIVE BACK IN WASHINGTON
AT 1:40 P.M EASTERN DAYLIGHT TIME.

* * * *

MEMORANDUM

NATIONAL SECURITY COUNCIL

May 9, 1984

CONFIDENTIALACTION

MEMORANDUM FOR ROBERT C. McFARLANE

FROM: JIM RENTSCHLER *DR*SUBJECT: President's June Trip: Irish TV and
London Student Events

As a follow-up to John's instruction (Tab II), your memo to Mike Deaver (Tab I) provides more detailed information on the two public diplomacy events involving the President's time which both you and Mike have already approved in principle, a pre-departure one-on-one interview with Irish TV and a meeting in London itself with a group of mixed American and British high school kids. The memo notes in addition that the Irish TV interviewer whom both Embassy Dublin and USIA are pushing for the TV event - Brian Farrell - will be in town May 11-18, which will give us a chance to work him over directly before any final commitment is made for the President.

ms Peter Sommer, *TH* Ty Cobb, Doug McMinn, and *SES* Steve Steiner concur.

RECOMMENDATION

That you sign the memo to Mike Deaver at Tab I.

Approve _____

Disapprove _____

Attachments

Tab I Your Memo to Mike Deaver
Tab II John's Instruction

cc: ✓ Bill Martin
Karna Small

CONFIDENTIAL

DECL: OADR

11/21/06

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

CONFIDENTIAL

ACTION

MEMORANDUM FOR MICHAEL K. DEEVER

FROM: ROBERT C. MCFARLANE

SUBJECT: President's June Trip: Irish TV and
London Student Events

Fleshing out two public diplomacy items which came up for earlier decision in connection with the President's trip to Europe next month - a pre-departure interview with Irish TV and a meeting with a mixed group of American and British high school students in London - I view the specifics of these events as follows:

Irish TV

-- One-on-one interview with Brian Farrell, well-known Irish TV personality, whom Ambassador Kane in Dublin calls "the Walter Cronkite of Ireland". He hosts Today Tonight, Irish TV's most prestigious current events program (aired three times a week, 9:30-10:00 p.m., Irish prime time).

-- Farrell has solid credentials as both a respected professional broadcaster and an academic (moonlights as political science professor at University College Dublin, Ireland's largest). He will have conducted a WORLDNET interview with Jeane Kirkpatrick earlier this week, which will provide timely education on the contentious Central America issue for a large viewing audience.

-- We have USIA and Embassy Dublin assurance that Farrell would be willing to provide questions in advance and would telecast taped interview in its entirety. Timing of interview could be left entirely to White House convenience. (Coincidentally, Farrell will be in Washington May 11-18, and Jim Rentschler has made arrangements to meet with him during that period and get a direct feel for what he can do.)

CONFIDENTIAL

DECL: OADR

White House
By dlb Date 11/21/06

Meeting with London High School Students

-- Audience: 40 Student Council representatives from American School of London and its neighbor, the Quintin Kynaston Comprehensive School (this Anglo-American high school link-up already has a history of cooperative intramural activities).

-- Venue: Meeting hall of the Quintin Kynaston School, five minutes' drive from Winfield House.

-- Format and timing: British headmaster would introduce President, latter would make a few informal opening remarks ("successor generation" theme), field a few questions (Embassy could tactfully plant some softballs) during a period not to exceed 30 minutes from start to finish (shorter period feasible). Could be inserted at any convenient daylight part of the President's London stay.

I suggest we close, if possible, on these events on the margins of our 4:00 p.m. Friday meeting.

May 7, 1984

MEMORANDUM FOR JIM RENTSCHLER

FROM: JOHN POINDEXTER

SUBJECT: Summit Public Diplomacy Agenda

Both Bud and Mike Deaver like very much two events you had in your plan for the Summit -- the Irish TV interview before he arrives in Ireland and the event in London with the young people. We will work to get decisions on the rest of the items but you should proceed with fleshing out the details on those two events for final approval.

cc: NSRCM	--CPUA	BUD MCFARLANE
NSRMK	--CPUA	BOB KIMMITT
NSWFM	--CPUA	BILL MARTIN
NSPBT	--CPUA	PAUL THOMPSON

RECEIVED 07 MAY 84 15

TC

RENTSCHLER

FROM POINDEXTER

DOCDATE 07 MAY 84

KEYWORDS. PUBLIC DIPLOMACY

LONDON SUMMIT

MEDIA

IRELAND

GREAT BRITAIN

SUBJECT. SUMMIT PUBLIC DIPLOMACY AGENDA / IRISH TV INTERVIEW & EVENT IN LONDON
W/ YOUNG PEOPLE

ACTION: PREPARE MEMO FOR MCFARLANE DUE: 10 MAY 84 STATUS S FILES PA

FOR ACTION

FOR CONCURRENCE

FOR INFO

RENTSCHLER

SOMMER

MCMINN

MCFARLANE

KIMMITT

MARTIN

THOMPSON

COMMENTS

REF#

LOG 8403439

NSCIFID

(CM)

ACTION OFFICER (S)	ASSIGNED	ACTION REQUIRED	DUE	COPIES TO
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DISPATCH

W/ATTCH FILE

(C)