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#### NATIONAL SECURITY COUNCIL

September 29, 1982

Mike Deaver,

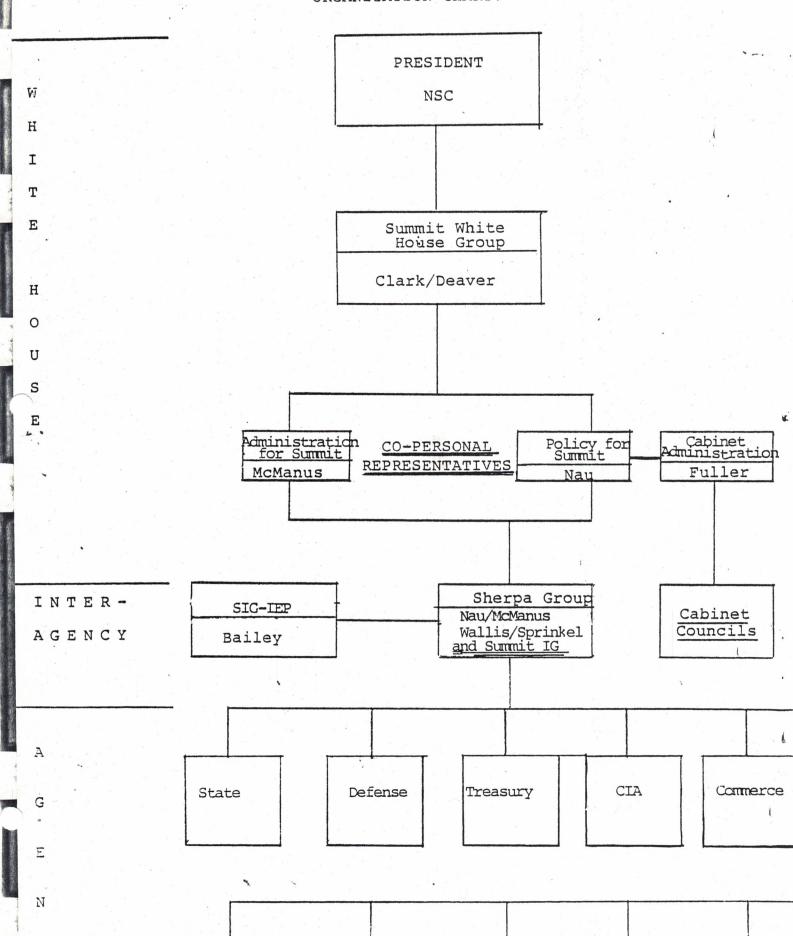
Judge Clark asked that I get you the attached materials outlining thre alternatives for the organization of the Summit preparations. For each alternative, there is a diagram showi what roles are in the White House whi are in the agencies and the relationships among them. In addition, there is a listing of the strengths and weaknesses of each alternative.

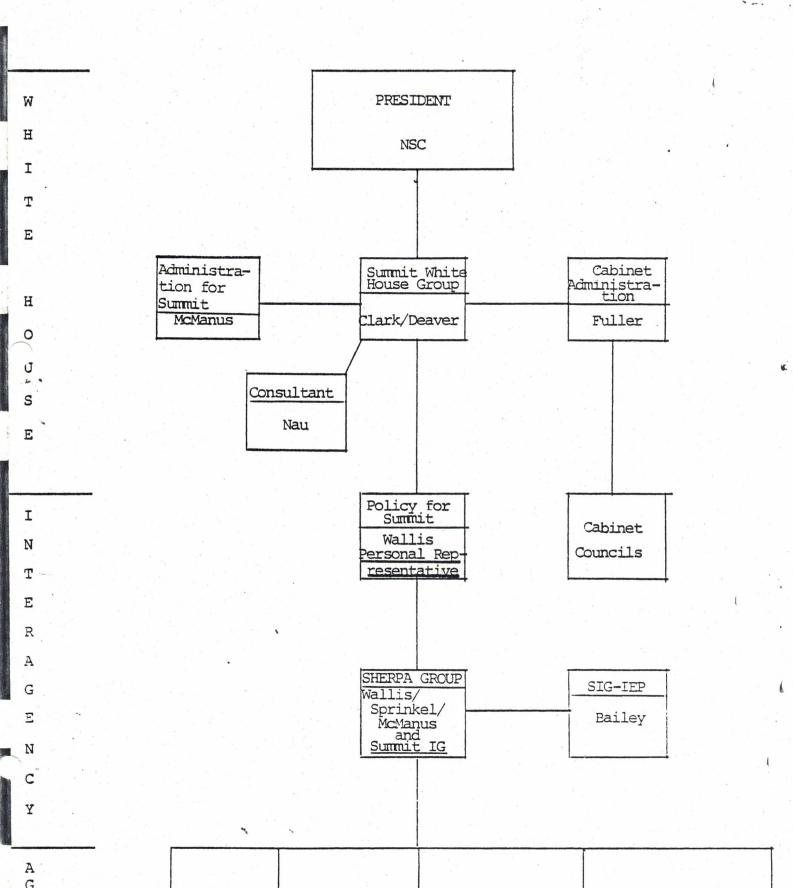
A variant on Alternative I is for you and Clark to be designated the Co-Per Representatives with McManus and me working immediately under your direct This is the strongest alternative of in terms of assured White House contra

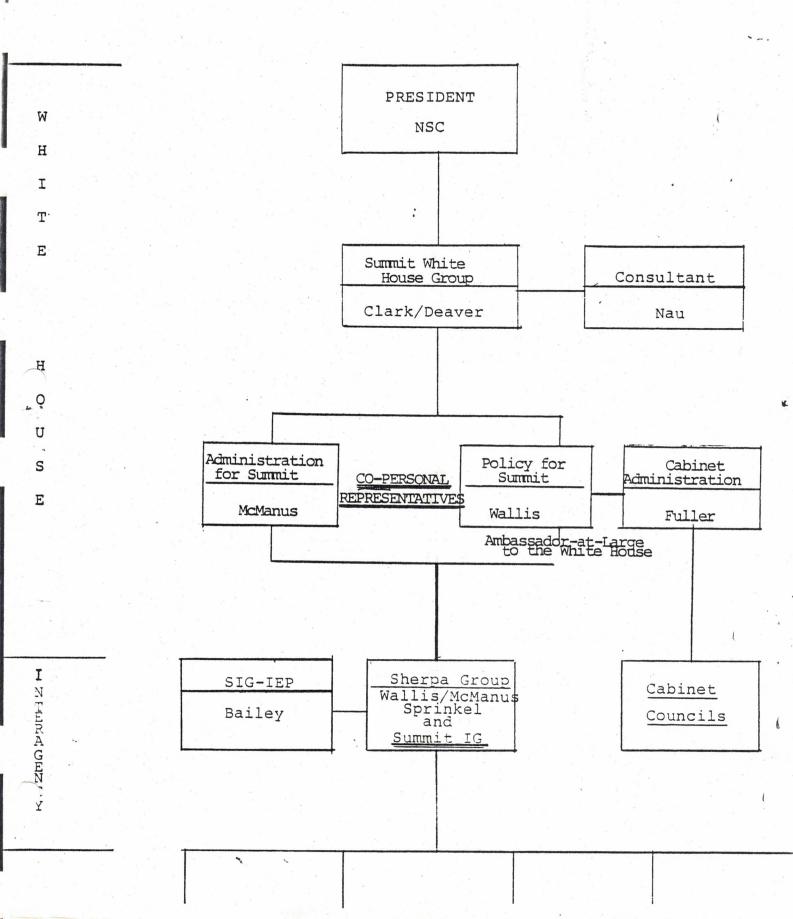
I discussed these alternatives with McManus this morning, but did not have the charts available to illustrate them.

Henry Nau

# I. WHITE HOUSE LEAD ON BOTH POLICY AND ADMINISTRATION ORGANIZATION CHART:







#### I WHITE HOUSE LEAD ON BOTH POLICY AND ADMINISTRATION

#### STRENGTHS AND WEAKNESSES:

#### Strengths:

- -- Unambiguous and direct White House control of Summit preparations.
- -- Unified arrangement for coordinating policy and administration for Summit.
- -- Uses people with direct experience in previous Summits and under immediate control of Senior White House Staff.

#### Weaknesses:

- -- Takes policy lead away from State, which has had this role in three previous Summits.
- -- Involves Senior White House Staff in more visible, public role.
- -- May run counter to Treasury's expectation that it would coordinate next Summit as chair agency of the new SIG-IEP.

#### II STATE LEAD ON POLICY AND WHITE HOUSE

#### LEAD ON ADMINISTRATION

#### STRENGTHS AND WEAKNESSES:

#### Strengths:

- -- Preserves same arrangement from previous Summits:
- -- Retains Cabinet (State Department) lead for policy.
- -- Gives Treasury responsibility for coordination of policy in accordance with its new role as chair agency of SIG-IEP.

#### Weaknesses:

- -- Weakens White House role (and perception of White House control from abroad).
- -- Divorces policy and administration in preparations for Summit.
- -- Fragments responsibilities with State providing the lead Sharpa, but Treasury being responsible for coordination.
- -- Gives policy lead to new member of Administration team not involved in previous Summits.

# III <u>DUAL STATE/WHITE HOUSE LEAD ON POLICY</u> AND WHITE HOUSE LEAD ON ADMINISTRATION

#### STRENGTHS AND WEAKNESSES:

#### Strengths:

- -- Improves on previous Summit arrangements by establishing White House roles for both policy and administration.
- -- Retains fiction of Cabinet lead for policy.
- -- Coordinates better policy and administration (assuming the State Department Co-Personal Representative moves physically at some point to the White House).

#### Weaknesses:

- -- Imposes heavy responsibilities on Co-Personal Representative for policy, who will have both his normal Under Secretary responsibilities and White House Summit responsibilities.
- -- Gives these dual responsibilities to new member of Administration not involved in previous Summits.
- -- Leaves ambiguous Treasury's role as chair agency of new SIG-IEP.

#### I. Summary Introduction

This is a time of real improvement in economic circumstances. Recovery is underway in some countries, and this fact increases confidence that it will soon spread to other countries, both industrial and developing. The challenge is to insure that this recovery endures and reverses a decade of accelerating inflation and increasing unemployment. This requires steady, purposeful action over both the short and the longer term across the range of policies. The actions we need to take derive from our recognition of the interrelationships among our economies, between our economies and the international economy and between economic strength and Western security. Briefly summarized, they involve:

- -- Promoting conditions for growth while opening markets to spread and reinforce growth.
- -- Maintaining the fight against inflation while intensifying consultations to achieve greater stability of exchange rates.
- -- Supporting the international financial system while taking specific steps to reverse protectionism and anticipate new efforts to further liberalize trade.
- -- Strengthening world economic growth, cooperation and institutions while promoting structural adjustment in both industrial and developing countries.
- -- Recognizing that prosperity is more than material gain, and that the defense of our basic shared values of political freedom, economic opportunity and moral purpose creates special requirements for our economic and other relations with Eastern countries.

#### II. Assessment: Realistic Optimism

Improvements in some countries are undeniable:

- -- Major successes have been achieved in reducing inflation.
- -- Nominal interest rates have been significantly reduced.

- -- Oil prices have declined, relieving pressures on inflation and balances of payments.
- -- Productivity increases have been registered.
- -- Some successes in controlling budget expenditures have been achieved.
- -- A broad consensus exists on the policies necessary to reduce inflation and create the basis for sustainable growth which should promote the economic convergence necessary for better stability of exchange rates.
- -- The recovery beginning in some countries will spread to others and will help ensure the revival of world trade and easing of the debt burden of many developing countries.

However, serious problems remain, endangering the prospects of an enduring recovery.

- -- Unemployment, especially among young people, remains intolerably high and continues to increase in some countries.
- -- Differences in inflation among countries remain too great.
- -- Inflationary expectations, fed by unacceptably high future budget deficits, have kept interest rates excessively high, thus threatening to choke off recovery and frustrate the achievement of better exchange rate equilibrium.
- -- Imbalances among our economic conditions have produced exchange rate distortions that feed protectionist pressure and threaten our open trade and financial systems.
- -- Protectionist pressures threaten the process of structural adjustment and dynamic change, and thus the creation of new, more rewarding jobs for our people and sustained growth in productivity.

-- Unprecedented debt burdens continue to constrain trade and threaten financial and related political instability in some countries.

#### III. Common Approach to a Durable Recovery

No single country, policy or immediate action can ensure a durable recovery or the immediate correction of these imbalances. Success requires a sustained, common approach with actions taken now across a broad range of policy areas, anchored within a longer-term framework of policy goals and decisions for the future.

#### Actions Now:

- -- Enhance the intensive consultation process initiated at Versailles to promote convergence of economic conditions in key currency countries and thereby contribute to greater exchange rate stability.
- -- Develop cooperative consultations on policies and exchange market conditions and, while retaining the freedom to operate independently, be willing to intervene in exchange markets in a coordinated manner in instances where we agree such intervention would be helpful.
- -- Recognizing that projected budget deficits in future years in some countries have created inflationary expectations that contribute to keeping long-term interest rates excessively high, encourage actions by those governments to reduce their deficits to ensure that interest rates continue to decline.
- -- Agree on a program to reverse protectionism and progressively dismantle trade barriers and marketdistorting domestic measures.
- -- Recognizing our joint responsibility for maintaining open international trade, renew determination to resolve current trade disputes, with special attention to problems in agricultural trade, conflicts of jurisdiction and the need to achieve a safeguard agreement by October 1983 as mandated by the GATT Ministerial.

- -- Agree to press forward with the GATT work program on trade in services and to initiate a study on liberalization of trade in high technology products.
- -- Begin work now to anticipate further trade liberalization in the GATT, focusing particularly on trade with the developing countries and the crucial link between the ability of these countries to export and their ability to service debt without impeding growth.
- -- Secure early ratification of the increases in IMF and GAB resources.
- -- Reaffirm commitments to provide agreed funding levels for IDA and the other multilateral development banks.
- -- Continue with agreed strategy for managing current debt problems, including effective adjustment in borrowing countries, financing from official bilateral and multilateral sources (including international development institutions such as IDA), short-term bridge financing, financing by commercial banks, and sustained, non-inflationary recovery in industrial countries.
- -- Welcome openness to dialogue expressed by developing countries and engage constructively in UNCTAD VI, emphasizing our program to ensure a durable recovery and practical proposals to manage debt problems, facilitate adjustment, promote trade, revive commodity markets, encourage more private and public investment in developing countries and to strengthen the dialogue with developing countries in appropriate forums.
- -- Agree to consult among each other and with other countries seeking improved ways to deal with the interrelationships among trade and finance in the world economy and to encourage better coordination among international economic institutions.
- -- Implement agreed conclusions for early action reflected in the results of work programs on East-West economic relations.

-- Welcome results of Versailles study on "Technology, Growth and Employment" and give impetus to work of groups created to develop greater cooperation in technological development.

#### IV. Longer-Term Policy Goals and Decisions

- -- Sustain fight against inflation and structural budget deficits as necessary preconditions for durable growth, new job creation and greater stability in the international monetary system.
- -- Pursue the consultative arrangement agreed at Versailles to promote economic convergence in the context of an open trading, investment and financial system.
- -- Promote structural adjustment, in particular by strengthening technological development and the program for cooperation initiated at Versailles, taking into account important social and environmental goals, and by revitalizing retraining and public education efforts to win public acceptance of socially productive change and mobility.
- -- Based on work initiated now, state intention to call for a GATT Ministerial in about two years time to consider launching a new round of trade negotiations, with special emphasis on trade between developed and developing countries, and trade in services and high technology products.
- -- Examine ways to improve the effectiveness of the development process and structural adjustment by assuring non-inflationary flows of public and private finance and investment to the developiong countries, with special attention to an adequate flow of resources to the poorest countries through IDA, the IBRD and similar institutions.
- -- 'Continue efforts to conserve energy and develop economical alternative energy resources, seeking in this context practical ways to enhance energy production in developing countries.

- -- Find practical ways to promote increased food production in developing countries.
- -- Continue work in appropriate existing fora to develop agreed analysis of our economic relations with the East, with attention to our shared security concerns, and on this basis pursue independent policy actions consistent with agreed principles and common analysis reflecting the fact that these relations should be compatible with the basic values and security concerns of Western countries.

For Immediate Release

President Reagan has invited the Heads of State and Government of Canada, France, Germany, Great Britain, Italy and Japan as well as the President of the European Commission to join him at Williamsburg, Virginia for the 1983 Summit of Industrialized countries. The Summit will take place over a two day period in the spring of 1983.

The Summit representatives come together annually to discuss current economic concerns. The last time the United States hosted an Economic Summit was in 1976 in Puerto Rico.

#### THE WHITE HOUSE

WASHINGTON

September 27, 1982

Je June

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MEMORANDUM TO: White House: Michael K. Deaver

William F. Sittmann

NSC: Henry Nau

State: W. Alan Wallis

Marshall Casse

Treasury: Beryl W. Sprinkel

FROM: Michael A. McManus, Jr.

Deputy Assistant to the President

SUBJECT: September 22nd Meeting on

1983 Economic Summit

The first meeting of the 1983 Summit Task Force was held on September 22, 1982 at the White House, Ward Room.

The following items were discussed and agreed upon with action responsibility as indicated:

- 1. Notification to participating governments of site selection and proposed dates. (Wallis, Casse)
- 2. Press announcement of selected site. (Deaver, McManus)
- 3. Notification to sites visited but not selected. (McManus)
- 4. Preparation of preliminary budget. (McManus)
- 5. Meeting with the coordinators for the Ottawa and Versailles summits. (McManus)

#### THE WHITE HOUSE

#### WASHINGTON

September 8, 1982

MEMORANDUM FOR Michael K. Deaver

FROM: Michael A. McManus, Jr.

SUBJECT: 1983 Economic Summit

This memo is intended to suggest and summarize a number of things that you may want to consider in selecting the site for the 1983 Economic Summit. The memo will also outline a proposed general schedule for action items and a proposal on organization.

Of the sites we have visited to date it seems to me that Williamsburg, Keystone, Del Coronado, and perhaps Lake Placid offer the best alternatives for a site. Before a final selection can be made, I think we need to give some thought to the following issues:

- 1. What does the President want out of the Summit.
- 2. What tone does the President want to project domestically and internationally.
- 3. Do we want to get back to a smaller more isolated concept.
- 4. Does the President want to project any themes about America.
- 5. What will be the basic issues of the Summit.
- 6. What are the projections for the U.S. economy and the world economy.
- 7. What issues could produce demonstrators, what can prevent this.
- 8. What will the basic concept be: a place for general discussions, a place for specific U.S. proposals, a place for multinational agreements, a place for very little substance.
- 9. What is the budget process and the parameters.

You may wish to consider what public approach we take to the summit now. I would suggest that there is some benefit to declaring this summit to be a return to the original concept. Summit's were intended

to provide an occasion for Heads of State to meet in a rather low key atmosphere to get to know each other better and to discuss matters of common concern. It is my understanding that they were never intended to produce agreements of great substance. President Mitterand changed this concept at Versailles for his own purposes and in his own interest. It really did not work. Looking at the situation in the world today and the participants I don't think there is any reason to suspect that a substantial agreement could be reached on any of the obvious issues to be raised in 1983. Some of the other participants may change from 1982. Chancellor Schmidt may not be in office, Prime Minister Spadolini is also a question and Mitterand himself may have problems by then. Problems exist with our European allies on the pipeline, tariffs, subsidies and the economic problems in Europe. There appears to be no reason to believe we can make further progress with the Japanese on dumping and tariffs. As a result of all of this you may want to announce at the time of the site announcement, a return to the original concept of the summit without an attempt to reach any agreements of great substance. This would precondition the press to the approach, difuse any criticism of this approach in 1983 and set the stage for a more positive story if it later appears that some substantive agreements can be reached.

In connection with the selection of a specific site we should consider the following:

- 1. When will it be held week, day of week.
- 2. What are the chances for bad weather.
- 3. What is the political profile of each location.
- 4. What is the access to each site airfield with 7,000 ft runway minimum, space to park places, chopper site, travel time if helos can't fly.

5.	Projected	Hotel	room	needs.	Advance parties	300
J .	riojectea	110 001	100111	necab.	Network advance	350
					Advance support	200
					Traveling parties	300
					Press	2000
					Traveling support	1000
					Security	350
					TOTAL	$4,\overline{500}$

- 6. Specific room needs:
  - a) 8 Head of State suites with living room, dining room, meeting room and adjoining rooms for aide, doctor, and agent,
     b) 8 Foreign Minister suites with living room, adjoining room for aide,
    - c) 8 Foreign Minister suites with living room, and adjoining room for aide,
    - d) 8 sets of 12 additional large size rooms for balance of official parties,

- e) Several bilateral meeting rooms with access for the press,
- f) Senior staff and 2 delegation rooms for each delegation,
- g) Summit meeting room of a minimum recommended size of 40' by 40' with provisions for simultaneous translation,
- h) Dining rooms for:
  - Head of State lunch and dinner for 8, 16, 24,
  - Foreign Ministers lunch and dinner for 8, 16, 24,
  - Finance Ministers lunch and dinner for 8, 16, 24,
  - Sherpas lunch and dinner for 8, 16, 24,
  - State Dinner room (160 people)
  - Eight dining rooms for official party or one large room for all,
  - Common press dining facility,
- i) Additional room requirements:
  - Security rooms
  - Motor pool rooms for each delegation
  - Control rooms
  - Bad weather site for group photo
  - Joint communique room
  - Press filing center or individual
  - Country briefing rooms
  - Press officials for each country
  - Five 1,000 sq. ft. television control rooms
  - Radio control room
  - Appropriate rest rooms
  - Kitchens
  - Entertainment facility after banquet.

#### Additional general considerations as follows:

- 1. Number of people who may have to be relocated from site and political heat from this.
- 2. Appropriate area for a fomal arrival with helo landing, troops, band and press.
- 3. Arrival area for at least 500 press.
- 4. How far will press be from summit site, how will they be transported.
- 5. Ample space for tented press facility if required.
- 6. What is the image reflected by site: natural beauty, history, wealth, business.
- 7. Does the staff at the site have a positive attitude, relevant experience and resources.
- 8. Construction necessary to provide communications or summit room.
- 9. Will advance teams be permitted up to 4 months prior to the summit.

I would also recommend that we make an early determination of any special equipment needs for translation or otherwise to allow time for design and ordering. The President's schedule should be cleared so that there is no travel plans for two weeks prior to the summit and

for 10 days after to allow for advance office support.

#### Organization -

Attached is a proposed outline of an organization for the summit The important factor in my mind is that you should have only one person reporting to you, with all other elements, except the Sherpa, reporting to that person. It will be necessary to use consultants or detailees for those positions requiring considerable advance presence at the site. The liaison positions are very important and created certain problems at Versailles. To avoid a repeat of problems, I suggest we take a strong administrative person out of our Embassy in each of the represented countries. These people will not only be able to speak the necessary language but will also be able to make necessary connections between our Embassy and the guest government.

#### Budget -

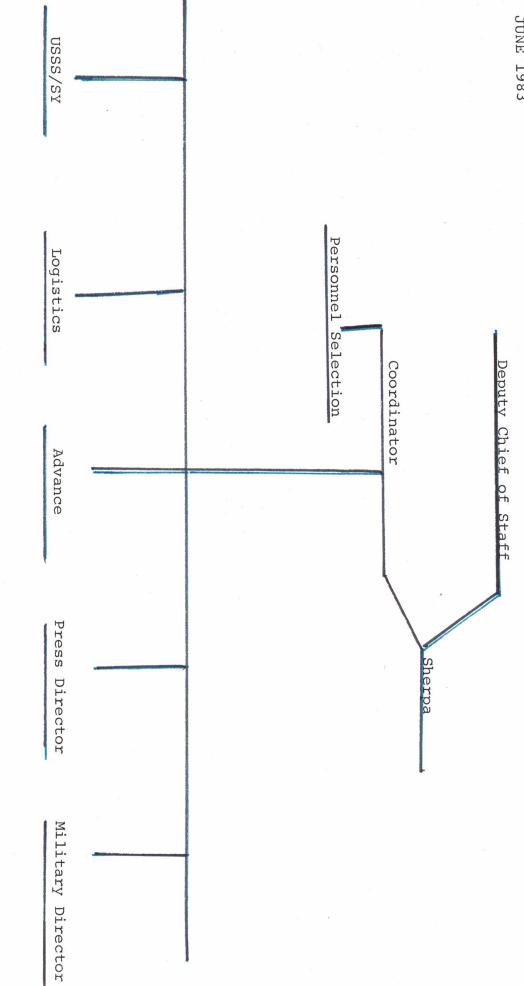
I have asked Jeanne Bull from State to give me a detailed break-down of a proposed budget together with a State Department analysis of who pays for what.

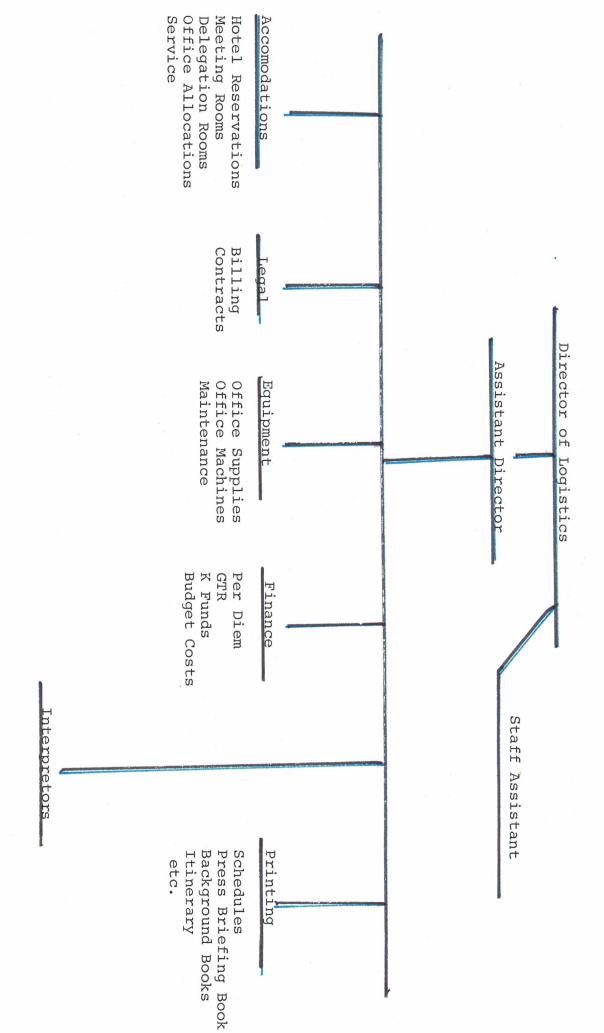
#### Past Summits -

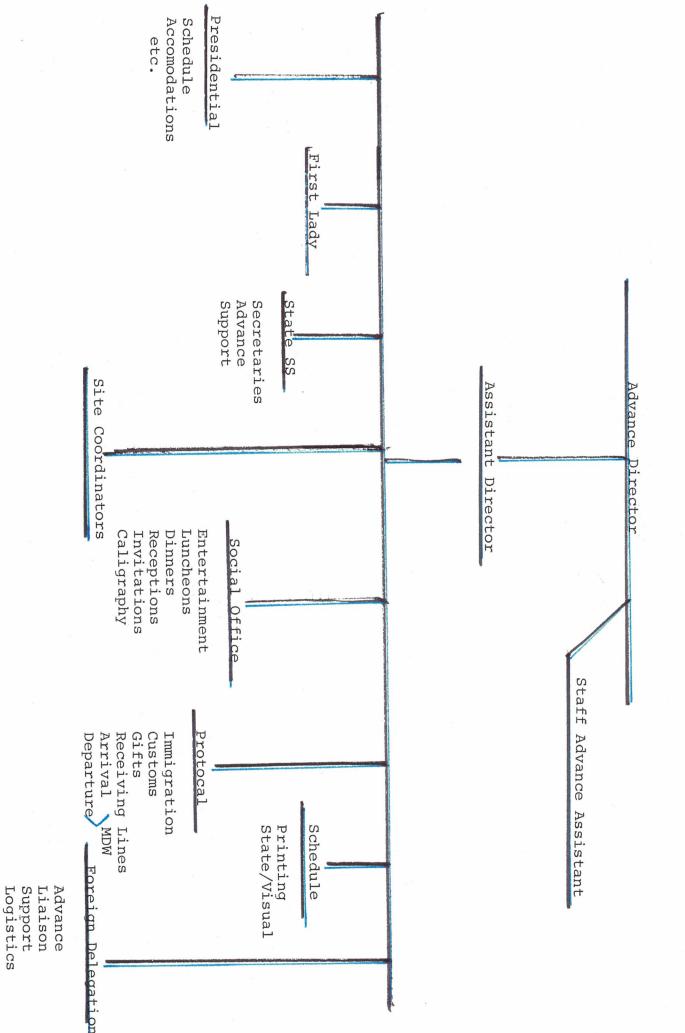
I have received material from the Ottawa Summit and a letter from the person in charge who is agreeable to meet with us in Washington to discuss his experience. I have also contacted Mr. DuFore from the Versailles Summit but because of the August vacation session in France, I have not received his response. I suggest that we get both of these people together with us in Washington as soon as possible.

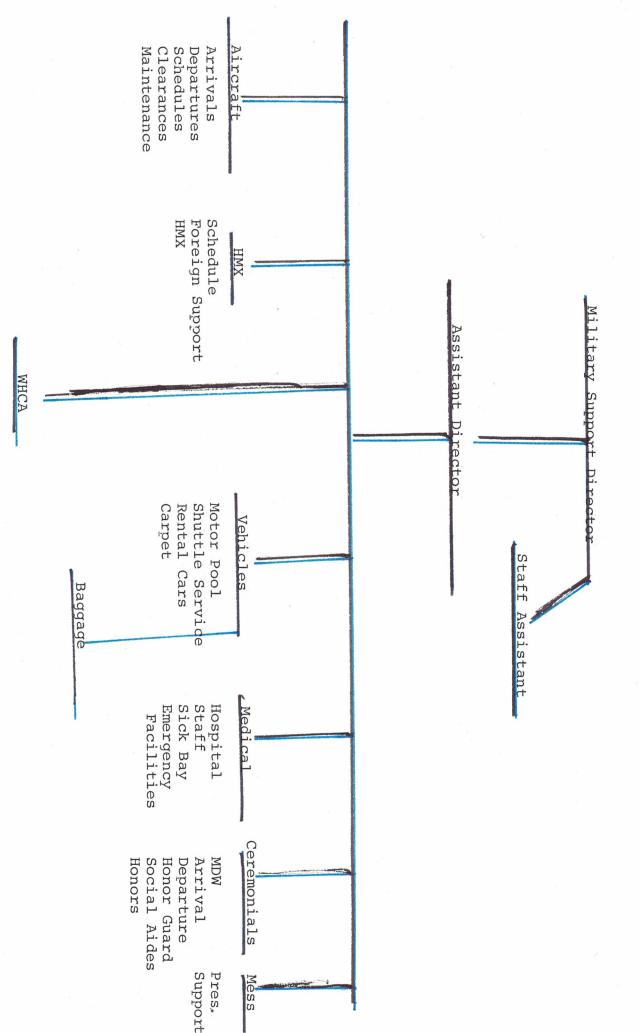
#### Nearterm Schedule -

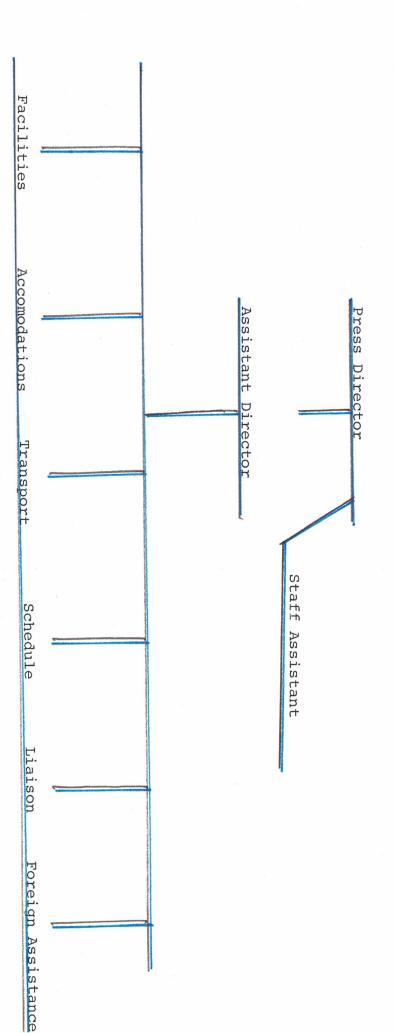
- September 19 30 -- meeting with designated representative of involved agencies and departments.
- By October 4 -- announce site and send out initial questionnaire regarding participants.
- October 12 16 -- meet with people from Ottawa and Versailles, and first Sherpa meeting.
- October 25 30 -- first major organizational meeting of logistical team.
- November 8 12 -- detailed survey of site with participation of all specialties.
- November 15 19 -- design finalization for summit room, State Dinner, Entertainment, Joint Communique and all other design and construction elements.











Filing Center Press Equipment

3. P.

Dining Facilities 2.
Billing

Buses Vans

ω. 2. I

Notices Events

2.

Local Foreign Press

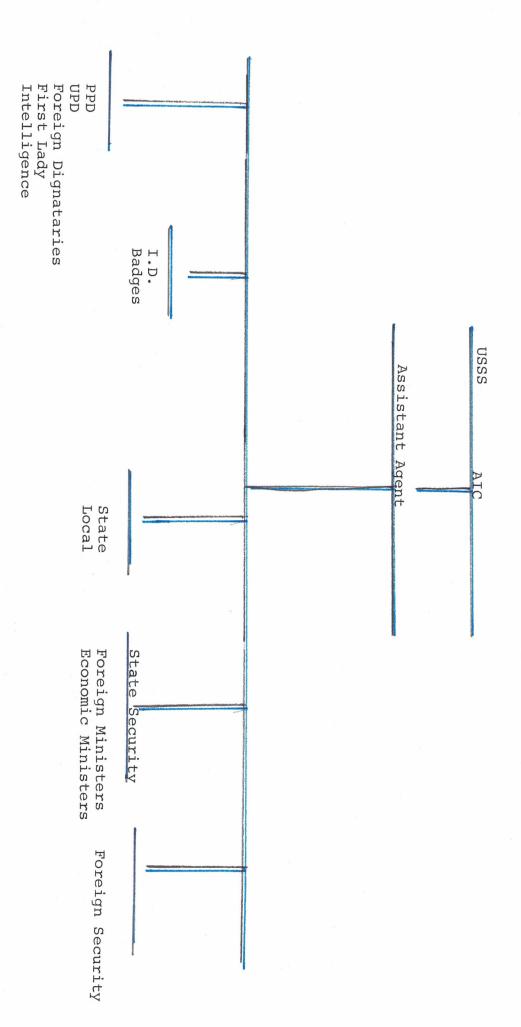
Advance Assignments

to Foreign

Press

Coodination

of Foreign Press





MICHAEL K. DEAVER

I was ant at Keystone and it is most supressive as is Bob magnared Still have a few more sites to look at before I make a final recommendation I'll keep you posted. much

THE WHITE HOUSE

The Honorable Caspar Weinberger Secretary of Defense The Pentagon Room 3E880 Washington, D.C. 2.0301

## THE WHITE HOUSE WASHINGTON

August 2, 1982

Mille
Bob Mayhard is a good man

of a good supporterMaybe you could ber

ler Know if he stand do

anything More in this

Caspar W. Weinberger

### THE SECRETARY OF DEFENSE WASHINGTON, THE DISTRICT OF COLUMBIA

August 2, 1982

Mr. Robert A. Maynard President, Keystone Box 38 Keystone, Colorado 80435

Dear Bob:

Many thanks for your July 27 letter. It was good to hear from you again.

I will let Mike Deaver know of your great interest in serving as host for the 1983 economic summit, and I am sure that anyone familiar with your area will find the suggestion a very persuasive one.

It was good to hear again, and I hope all goes well and that something will bring you to Washington before too much longer.

With best wishes,

Sincerely



Box 38, Keystone, Colorado 80435 303/468-2316

July 27, 1982

The Honorable Caspar W. Weinberger Secretary of Defense Room 3-E 880 The Pentagon Washington, D. C. 20301

Dear Cap:

Keystone has been working with a Mr. William Sittmann in the White House in an attempt to gain consideration for Keystone as the location of the 1983 economic summit which the President is hosting in the United States next June.

We believe that our facilities are well located and our staff uniquely well qualified to handle and service this very important conference, and any help you could give us with the appropriate people in the White House concerning the decision on a site would be greatly appreciated.

I hope to have the opportunity of seeing you soon, and until then, with warmest personal regards.

Sincerely,

Robert A. Maynard

President

#### WILLIAMSBURG, VIRGINIA

The city of Williamsburg, which was incorporated in 1722, was the busy and important capitol of Colonial Virginia. Historic Williamsburg has restored original buildings and reconstructed on original sites buildings to resemble Williamsburg as it was during the 18th century. restoration which began as an idea in 1926 was completed in the mid-1930s. Williamsburg is where many fine American leaders such as George Washington, Thomas Jefferson, James Madison, to name a few, helped to shape the foundations of American democracy. In 1774, the House of Burgesses called for the First Continental Congress. In May of 1776, the fifth Virginia Convention began its movement toward American freedom by declaring Virginia an independent commonwealth. The Convention also instructed the Virginia delegation to the Second Continental Congress in Philadelphia to propose independence which lead to the July 4, 1976 declaration.

Surrounding historic Williamsburg are approximately 136 hotel/motels which provide approximately 4,627 rooms. This does not include the nearby cities of Richmond or Norfolk which can provide unlimited acommodations.

Williamsburg is located 180 miles southeast of Washington, D.C. and is accessible from Washington on good roads which make the driving time approximately 3 hours. Williamsburg is also accessible by helicopter from a number of airports.

Heads of State may be housed individually in a Colonial House in the historic area. Each of these houses offer their own character and charm in an 18th century environment, are one or two stories, have at least 2 bedrooms with a sitting area, dining room, utility room, etc., and are within easy walking distance of the Williamsburg Inn. The Williamsburg Inn can accommodate 145 guests with rooms and suites. Housing/hotel accommodations will be only available through a centralized system. No reservations can be made without going through the White House.

The historic area of Williamsburg has an expansive Conference Center located in the Williamsburg Lodge. It has approximately 19 meeting/conference rooms and can accommodate up to 185 people. The Lodge also has 250 guest rooms, a lounge, and a dining room.

The center for Press can be fully accommodated at the College of William and Mary's Hall. This Hall has enough rooms for each country being represented to have a press enter of it's own, Network work rooms which will be 1,000 square feet each, areas for the network pools, dark rooms for the still photographers, and I.C.A. office area. This area, William and Mary Hall, will be considered the Summit Press Headquarter.