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Agenda.

① Macro-economics

"No-one is doing."

All protectionist in our way.

Not Brains Trust on causes of crisis
but possible solutions.

No preconceived ideas or prejudice

L/W - not to consider solely in terms of
balance of military power

Technology trade,
General -

Credits

N/S. -

French Introductory documents.

Technology - 3rd Industrial Revolution.

Read preamble to document.

Inflation / Growth / Unemployment.

"Perfect World" - no relation to reality.

Must decide to "do" something.

Get things going along right lines.

Give young people something to believe in
- apart from material values.

Reform mechanized systems.

- Reawakening of spiritual values

More of life - a taste for living.

Biotechnology - to reduce famine and over-population.

- pure and applied research.

Energy technologies - all interested in same problems.

Oceanography - space exploration.

All these things show means exist for
development.

Adapt to new technologies.

Propose Corporation public/private.

Committee to avoid "wrong competition"

Standards of products - set up. 3

Joint development with under-development.

"World University"

Encyclopedia of all cultures of world

Democracy - values }
Exchange }
Communication }
Freedom }

40 min

Suzuki,

Spirit of coopⁿ - not confrontⁿ
Future not past.

Inflation down = progress

Current Account - surplus.

Trade - 'open' market as open as other
industrialized nations

Expand Aid

Vitality of Private Sector

Robots - create more new jobs than
they save

1985 Paper mentioned by Sec of State.

How to co-exist?

WORKING group.

Trade - common framework of discussion

- recognizes different cultures 20 mins

Charlton - Schmidt

Reluctance to accept mod^l technology.

Word about in communication

LTC. growth, otherwise no employment.

Maintaining technical gap.

Photographic footnote -

Overpop^l - can be overcome by faster tech^l progress.

More development will

Exhaustion of natural resources

7 mins.

Gradation - development countries

Technology - 5 mins.

Prudens Photographic aspects 5 mins.

Belgium

Macro-economics

1. 0021)

- initially no growth.
- inflation reduced

8

- current account balances - improved.

83 - increase in growth

Can't reduce budget deficits -

X kind implications of own policy mix.

Can't go it alone.

Failure of ec policy will determine
stability of our countries.

Unemployment weakens strategic position
w/s - a w/s Commission.

World budget system must be reformed

Depend on X growth - the world budget system
= monetary "

Free trade - orderly markets.

Must in: $\frac{N}{S}$ + $\frac{E}{W}$ relations

Demand - overvalued policy - not right for
structural changes

News - Economic (2)

Stimulate productive investments

Cut state exp.

Cut transfer payments

PSBR - gone up too much

Coordinated between monetary authorities
to get i. Rates down

IMR - in danger of becoming an
instrument of development work.
Must be reformed
Some countries too high debt on
private capital markets.

Real interest rates - highest level
ever.

But deep recession

One need barriers to growth.

Real FR - must be priority to get down.

Must give clear signals to market
that budget deficits will be
reduced.

Widespread Reagan story

to reduce ~~the~~ deficit. Dollar - leading role
75% remains dollar

Neo-Economics (3)

U.S. leading role - no one else can
assure it.

Withdrawal to distance other countries.
from U.S.

Reduce high deficits

PRG - limited PIRR $3\frac{3}{4}\%$

Don't put Agency under Economic pressure

Real int. below 3%.

Normal rate - 9%

Policy mix - inc employment

- higher investment $\$17\frac{1}{2} B$

- low relief for small bus.

- sp. credit for wage people, building
subs.

Reduce expenditure in other areas.

Pres Reagan

gov recession since World War II

Program - Quik fix + social programs
on money of public work.

- massive public debt - $\$100 bn$ int. per year.

Carter - Money supply up, I.R. 21%
up to 17% Demand for jobs

Macroeconomics 4.

U.S. - vast redⁿ in welfare
in job spending.

New loans than previous year.

Up by 50%. Compared with other states.

I.R. reduced for car purchase
for housing construction

Inflation 12.4% rate \rightarrow 6.0%

last 3 months less than 1%.

I.R. - pessimism about future
state & party in election.

Will stay the bank

Congress - wouldn't pass
deficit on downward course.

Jobs. - higher to work than at any
other time in history.

May - U.R. 9.3 \rightarrow 9.5%

1 million more people in job market
500,000 jobs - 200,000 unemployed.

I.R. - held up psychologically.

Y for Budget to reduce spending,
- this the signal.

Tanaka program - 10% across board cut
- result in expanded economy
- Kennedy - Lutterman

Start with WSc. Plan

Coordinate etc

Intervene to counter disorderly mental,

Joint Study - Exchange relis and intervention.

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