

OP

TO IMMEDIATE BOGOTA

TELEGRAM NUMBER 99 OF 7 JUN

AND TO INFO SAVING WASHINGTON, UKMIS NEW YORK, MEXICO CITY,

CARACAS, PANAMA CITY, SAN JOSE, TEGUCIGALPA, MADRID, OTTAWA,

AND EC POSTS.

YOUR TELNOS 105 AND 105 : WILLIAMSBURG

1. PLEASE PASS FOLLOWING MESSAGE FROM PRIME MINISTER TO

PRESIDENT BETANCUR.

BEGINS.

THE WILLIAMSBURG ECONOMIC SUMMIT

THANK YOU FOR YOUR MESSAGE TO THE PARTICIPANTS AT THE WILLIAMSBURG ECONOMIC SUMMIT. IT WAS USEFUL TO HAVE YOUR PERSON-

AL REFLECTIONS WHICH ALSO REFLECTED THOSE OF THE SUMMIT OF

LATIN AMERICAN AND CARIBBEAN ECONOMIC EXPERTS. IT ARRIVED SO

SOON BEFORE THE SUMMIT ITSELF THAT IT SEEMED MORE HELPFUL TO

REPLY TO YOU ONCE THE SUMMIT HAD TAKEN PLACE.

I FULLY SHARE YOUR VIEW OF THE INTERDEPENDENCE OF THE WORLD

ECONOMY. THE WILLIAMSBURG SUMMIT WAS NOT OF COURSE INTENDED TO

DESIGN A PLAN FOR GLOBAL RECOVERY. BUT IT DID CONSIDER AND AGREE

UPON THE OVERALL FRAMEWORK WITHIN WHICH THE EMERGING RECOVERY IN

THE INDUSTRIALISED NATIONS CAN BE SUSTAINED AND SPREAD TO OTHER

PARTS OF THE WORLD. WE BELIEVE THAT FROM THE STANDPOINT OF THE

DEVELOPING COUNTRIES, AND LATIN AMERICA IN PARTICULAR, IT IS

VITAL THAT THE RECOVERY IN THE DEVELOPED NATIONS SHOULD BE SOUND

AND THAT ITS BENEFITS SHOULD BE SHARED WIDELY THROUGH AN INCREASE

IN INTERNATIONAL TRADE AND A STRENGTHENING OF THE OPEN TRADING

SYSTEM. I AM SURE THAT YOU AND YOUR COLLEAGUES IN THE LATIN

AMERICAN ECONOMIC SYSTEM WILL AGREE WITH THIS.

TO ACHIEVE THIS AIM THE WILLIAMSBURG SUMMIT REACHED A SERIES OF IMPORTANT AGREEMENTS AND COMMITMENTS WHICH ARE RELEVANT TO THE

POINTS OF CONCERN WHICH YOU MENTION IN YOUR LETTER. THE SUMMIT

CONSIDERED THE CONDITIONS FOR IMPROVING THE INTERNATIONAL

FINANCIAL SYSTEM INCLUDING THE PART WHICH MIGHT IN DUE COURSE

BE PLAYED BY A HIGH-LEVEL MONETARY CONFERENCE. YOUR PROPOSALS

WILL OF COURSE BE A TIMELY CONTRIBUTION TO THIS TASK.

THE SUMMIT PARTICIPANTS BELIEVE THAT THE WILLIAMSBURG

DECLARATION ENUNCIATED A COHERENT STRATEGY WHICH WILL BRING THE

BENEFITS OF RECOVERY TO THE WORLD ECONOMY. CONDITIONS OF MORE

STABLE EXCHANGE RATES, LOWER INFLATION RATES AND PUBLIC DEFICITS

SHOULD NURTURE THE EMERGING RECOVERY. ON MORE DETAILED POINTS

THE SUMMIT RECOGNISED THE IMPORTANCE OF THE ROLE OF NEW TECHNOLOGY

IN ACHIEVING ECONOMIC GROWTH AND ALSO THE NEED FOR CONTINUED

ACTION TO REDUCE DEPENDENCE ON OIL. IT WAS NOT THE PURPOSE OF

THE SUMMIT TO LAY DOWN SPECIFIC POLICIES IN THESE AREAS BUT

RATHER TO AGREE ON GENERAL POLICY DIRECTIONS.

I BELIEVE THAT THE PRINCIPAL MESSAGE FROM WILLIAMSBURG IS

ONE OF NEW CONFIDENCE IN THE PROSPECTS FOR RECOVERY. THE

PARTICIPANTS WERE VERY CONSCIOUS OF THE NEED TO SPREAD THE

BENEFITS OF THIS RECOVERY MORE WIDELY TO THE DEVELOPING COUNTRIES

BY STRENGTHENING THE OPEN TRADING SYSTEM. I AM GRATEFUL TO YOU

FOR SHARING YOUR THOUGHTS WITH ME AND I AM CONFIDENT THAT THE

OUTCOME OF THE SUMMIT WILL BE SEEN TO HAVE BEEN POSITIVE AND

CONSTRUCTIVE.

ENDS

2. THERE IS NO (NO) SIGNED ORIGINAL TO FOLLOW.  
PYM

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PRIME MINISTER'S  
PERSONAL MESSAGE  
SERIAL No. T 83A/83