
The Tokyo Summit Agenda

The outlook for a broad consensus on the management of the major economic issues at Tokyo is better than it has been at recent Summits. The prospects for the world economy are encouraging. Cheaper oil is boosting growth, reducing inflation and permitting more room to manoeuvre on fiscal and monetary policies. There has been a significant and helpful realignment of exchange rates. Interest rates have fallen. While there has been continued growth in the industrial economies, unemployment remains high in several Summit countries.

Leaders at Tokyo may seek to refine and move forward with Treasury Secretary Baker's initiative to assist LDC debtor countries. The dramatic fall in oil prices, while of benefit to many developing countries, is having serious negative consequences for oil exporting debtor countries. The plight of the poorest countries, particularly in Africa, could also be examined by leaders. Canada is seeking to ensure that there is a generous replenishment of funds for the World Bank's International Development Association (IDA VIII).

Fluctuations in exchange rates have become an increasingly prominent feature of the international environment in recent years, and have resulted in, among other things, a resurgence of protectionist pressures, particularly in the United States. The subject of international monetary reform has been studied by Finance Ministers and central bankers from the developed and developing countries (in the "G-10" and "G-24" groupings). Further consideration of this important question will have taken place at the April meetings of the IMF and the World Bank, and the matter will probably be discussed at the Summit as well.

Canada will seek a strong commitment by leaders at Tokyo to resist protectionism and to free up markets to international trade. It is anticipated that the Summit will give a strong endorsement to the launching of the new MTN (Multilateral Trade Negotiations) round this fall.

As has been the case at all previous Summits, leaders will exchange views on a range of political subjects, including East-West relations, arms control and disarmament, international terrorism and regional issues. The Summit discussions may also touch on areas such as environmental protection and cooperation in science and technology. As a personal initiative, Prime Minister Nakasone has suggested some discussion of the Atlantic-Pacific relationship and of the challenge of education in modern society.