WHEN President Ronald terrorists or significantly their and the Soviet Union would record and progress across the Reagan arrived in Venice a sponsora, aponsora, apons week ago he disappeared to a Country hotel for the first few conduct of foreign policy, which days to recuperate from the deepened with the near-disaster summit nations had succeeded was the guarded but neverthefilms with his wife Nancy.

summit in Ottawa in 1981, which produced the vivid pic- initially sought. ture of Mr Reagan vigorously taking charge-chauffering an anxious-looking West German Chancellor Helmut Schmidt in a golf cart-is, striking. symbolises the diminished influence not only of Mr Reagan, but also of the US in summit decision-making.

In almost every area that the summit leaders have addressed, US positions have been watered down in the drafting process or dropped before the meetings

have been largely on the defensive because of the weakness of Mr Yasuhiro Nakasone, their Prime Minister, dissatisfaction with their economic and trade policies and the fact that their strongest ally at such international meetings has traditionally been the US.

The summit statements on East-West relations, and especially on the Gulf war, provided the most graphic evidence. of the chift in the balance of power away from a Reagen Administration which has lost international eradibility and clout.

The Iran arms sales scandal, for example, led directly to a statement in the political communique confirming the principle of "no concessions" to

journey, spending much of his at the Reykjavik summit, was time taking walks and watching evident in the refusal of summiteers to go along with the The contrast with his first tough statement on policy in the Gulf which US officials

Mr George Shultz's efforts to interpret the summit statement on the Gulf as an endorsement of the US call for a ceasebre, retreat to international boundaries and mandatory sanctions against whoever failed to heed the call-almost certainly Iran-was greeted with profound scepticism even by a sympathetic US press. It, too, found it hard to understand

in their goal of endorsing broad principles such as free navigation in the Gulf, but not what they saw as the dangerous tilt towards Iran implied by Mr Shultz.

Most striking and significant, especially when it is contrasted with the "evil empire" rhetoric of Mr Reagan's early days as President, was the cautious but clear endorsement the summit leaders gave to the internal and external policies of the Soviet Union.

As US officials presented their interpretation of the commuhave evolved. The Japanese did not know whether China ment in Moscow's human rights to the West.

less optimistic assessment of the significance of the reforms which Mr Gorbachev is setting in train. It was hard not to detect the hint of detente in the communique's wording that "It is our hope that they will prove to be of great significance for the improvement of political, economic and security relations."

Mr Reagan's difficulty, of course, is that having embarked on a firm course towards an arms control agreement on intermediate and shorter-range structural adjustment facility. missiles in Europe, partly to cannot be done as quickly as reinforce his weakening domnique, they were again at pains estic political position, he is how words like "ceasefire" did to emphasise that US priorities hard pressed to stick with his the World Bank's "financial not appear and how the call for which the other summit leaders earlier hard line towards Mos- stability" might require a opened.

"effective measures" by the can broadly accept were cow. This is especially so when capital increase and the deadinstead, it has been the Europeans who have had the preted by the US as a call for resolution of regional disputes, and leadership is being fostered tural adjustment facility expanbiggest influence on the way the mandatory sanctions, especially withdrawal of Soviet forces by Mr Gorbachev's success in various summit communiques when Mr Schultz conceded he from Afghanistan, an improve- presenting a favourable image

But Theorean governments know that conservative strength is on the wane that Mr Reagan's effectiveness as President is fast declining, and that now might be an opportune moment to encourage those in the US who

have been more sympathetic to European concerns.

US stand on AIDS rejected

BY STEWART FLEMING

The BROAD outling of the Reagan Administr .ion's recent stand on A' . was relected implicitly sesterday at the Venice summit.

Saving that efforts to comhat AIDS needed to be intensified and made more effective through international co-operation, a challman's statement on Albo was import in Vonice saying that the attack on the disease had to be based on the principles of human rights.

The statement went on to say that in the absence of a vaccine or cure "a strategy based on educating the public about the seriousness of the AIDS epidemic, the way the AIDS virus is transmitted and the practical steps each person can take to avoid acquiring it or spreading it" is needed.

After a florre debate within the Reseau Administration, the President last mouth announced that the federal government would require testing of people for AIDS where it had authority such, as in prisons or dealing with immigrants.

Where it lacked such authority, the Administration said it would encourage AIDs testing, for example in the case of couples seeking a marriage licence.

The Administration has also asolded placing emphasis on practical education to combat AIDS by instructing children about the use of condoms. Conservatives in the White House have maintained that would encourage immorality and could tend to weaken family ties.

US economic problems, and the nation's weakened capacity to lead, also left a mark on the communique. When it comes to spending money, on helping Third World debtors, or boosting the capital of the World Bank, it is Washington-with its budget problems and the pressure the Democratic Congress is exerting on the foreign aid budget-which is having to drag its feet.

The other summit leaders have had to accept therefore that such issues as the world bank capital increase or the strengthening of the International Monetary Fund's some would want. But the reference to the possibility that sion show that these are issues which the other summit leaders believe need to be addressd urgently.

The statements out of the summit thus provide little for Mr Reagan in his efforts to rally his conservative supporters-supporters who will be needed to push an arms control accord through the Senate. They will do little either to damp down right-wing criticism of European failure to support the US enthusiastically