

But there were shifts going on as well between the West and other parts of the world. Soviet military power was relatively much greater than it had been, including notably in the field of nuclear weapons. The Sino-Soviet split worsened and China itself was beginning to play a more active part in the world. OPEC muscle had recently been demonstrated and the sudden transfer of wealth to oil producers, notably the few surplus countries (e.g. Saudi Arabia, Kuwait and the United Arab Emirates), can only be compared to the massive acquisition of gold by Spain in the sixteenth century. It gave rise to fears, not wholly substantiated, of a more generalized "commodity power" by raw materials' producers. The oil crisis, along with other factors, including commodity fears, gave impetus to recognition by Western leaders of the need to take North/South issues more seriously. Indeed, the Conference on International Economic Co-operation, involving 27 developed and developing countries, opened in Paris a week after the first Summit.

The leaders of the major Western economic powers accordingly felt constrained to consult together, to try to work together more closely – and to be seen to be doing so. At the same time, the leaders were careful to make clear they were not establishing a new institution. Indeed, and this was fundamental, they wanted to find a way of leapfrogging the national and international bureaucracies.

An analysis of the six Economic Summits as a series may give an erroneous impression of inevitable flow or progression from one to the next. A certain pattern does emerge, but I should emphasize that leaders did not plan from the start on a series of Summits but rather decided on holding them one at a time.

#### Rambouillet

At Rambouillet, the approach was largely short term and fairly specific, based on traditional analysis of the economic situation. The main success was the rapprochement between the United States and France on monetary questions, which paved the way for agreement at the International Monetary Fund Interim Committee in January 1976 on revised IMF articles, notably one which provided a legal basis for alternative exchange-rate regimes (e.g. fixed or floating) and called for more frequent consultations and exchanges on monetary issues. Other new articles agreed upon in January 1976 dealt with the role of gold, quotas and international liquidity; and a trust fund was established to subsidize borrowing by the poorest developing countries from the International Monetary Fund. Rambouillet also saw an agreement intended to slacken the export credit race and on a target (1977) to end the Multilateral Trade Negotiations (both overly optimistic as it turned out).

#### Puerto Rico

Six months later in Puerto Rico, buoyed by monetary successes and economic growth and with a U.S.A. election looming for President Ford, the leaders were able to sound thoroughly optimistic about their ability to deal with the joint economic problems of inflation and growth, although the disparity of approaches subsequently taken in Summit countries was seen in some quarters as belying the communiqué talk of co-ordination; and in fact growth soon dropped off again.

#### London

Indeed, at London a year later, the optimism was becoming a little forced and a recognition crept in of the need for collaboration in facing the major structural changes under way. Certain key countries were expected to act to pull the world