While the leaders pronounced heatscives satisfied with their wo days of talks, the most cu-shorie was Sir Geoffrey Howe-itanding in for Met Thatcher, he leachibed the summit as "a bea-son of hope to the unemployed in sur countries and to the comoni-ally disadvantaged in the devel-sping world". It was difficult to reconcile this with the summit's largely panniments by jons taking part. While the leader THE VENICE summit yesterday raded in self-congratulation but with a notable absence of specific parmitments by the serven un-JARDIAN with the summit's incontentious economic Ē nmit avoids commit feature was the

trailed agreement that the seven would have chser consultations, and set up a system of non-ca-formance indicators. The final declaration avoided assessing Japan West Germany or the United States as needing to adjust their pelicies. It included a commitment to "additional actions" should growth be insulfi-cient. But the US Treasury Secre-tary, James Eaker, said present policies were 'doing the job". From n Steve Levinson in Venice

ernment may wish to avoid pub-licity was its virtual veto of a Ca-nadian propusal for a statement from the sammit condemany South Africa and its aparthesid re-gime. Although the Casadian nowe received support from most of the other leaders, it was clear from early on that Mrs Thatcher and Sir Geoffrey were adamant. As a result, the reference to South Africa appeared only in a summary of the proceedings given by the Italian Prime Minister, Amintore Fanfasi, at the end of the summit. Sir Geoffrey said later this was not the time for out-side initiatives on South Africa.

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**Backing for Britain** but no action over S Africa. Venice pledge act if economic recovery falters

From Peter Rodgers and Alex Brummer in Venice The leaders of the seven biggest industrial countries yesterday vowed to take new economic measures if the present economic recovery be-gins to falter. They also delivered a strong declaration of support for the British system of education and research to combat Aids, and a rebuff for President Reagan's approach of routine testing. The leaders failed to come up with any initiatives on South Africa. The Foreign Sec-retary, Sir Geoffrey Howe, said Britain had been told by white liberals and by blacks that this was the wrong mo-ment as South Africa would be

Leader comment, page 14; US retreats on World Bank move, City Notebook, page 28.

move, City Notebook, page 28. "unreceptive," so soon after the whites-only election. There appeared to be a sig-nificant shift in the balance of power among the leaders of the US, Japan, West Germany, France, Britain, Italy, and Canada. President Reagan, who has dominated the agenda in recent years, wass seen to be in retreat on severi key issues from East-West rela-tions to the Gulf and the role of the World Bank in develop-ment. He also failed, because of European objections, even to get a deadline of the year 2000 into the summit's commit-ment to end agricultura, subsi-dies and surpluses. The summit's contomic com-muniqué called for a "further market-led decline of interest rates," and it backed policies agreed by finance ministers to stabilize the foreign ex-change, casing fortier, eu-stantial shifts would damage growth and efforts to control trade surpluses and deficits. The Big Seven agreed that "if in the future world sco-nomic growth is insufficient, additional actions will be required." They told their fa-nance ministers to work out policies for this purpose and they also backed a new system of using conomic indicators to steer the world economy with the help of regular dis-

Thursday

And cussions per seven No sconer was the s intries over than participants in the find the lack of specifi-policy initiatives by the biggest economies, the strong Jepan and West Ger or the Jepan and West Ger or the clearly faring that fin markets would take s Aids, view and start a new r sident the dollar. Dutine The US Treasurey Sect Mr James Baker, sai hoped the markets had a some hoped the markets had some aboard his warnings on a board his warnings in foc-"you should not be in for major macro-scoi id by policy initiatives every t blacks three weeks or months is markets with the participant including himself. American officials clearly fustrated by after failure of the West Germi do more to stimulate as is failure of the West Germi do more to stimulate and come by finance mini-including himself. American officials clearly fustrated by after failure of the West Germi do more to stimulate a sis failure of the West Germi do more to stimulate a sis failure as underpinne in of cerman growth. Ame re of officials warned, "There usiny, be no one to buy our j and now that our sconom agan, alowing." This was underpinne in to claims from Mr Baker thu key Americans had the d rela moving downwards. He is "Actions speak louder words and j think we hav ause solid substantial deficit r year solid substantial deficit r year boild substantial deficit r year contic had plummeted com es to Stop per cent of C rither National Product. erest Before leaving for a licks appearance in his cont rs to ency, fir Geothey Howe r erest control for the substantial deficit re words and plummeted cont ency, fir Geothey Howe r

National Product. Before leaving for a appearance in his con-ency. Sir Geothey Howe I a surprising claim that wennoe suffimit... Offer beacon of hope to the up ployed in our countries at the economically disad taged in the develop world," though he did elaborate on the logic. Sir Geothey said that c ing jobe was the param-task. He claimed that the t mit countries were follow policies in line with Brita and he said that this had to a fall in unemploymen 200,000 in the last 12 month