

THE ECONOMIC SUMMIT

OF

LONDON

BACKGROUND NOTE

The Rambouillet summit meeting in November 1975 was convened to provide for high level consideration of how the major industrialized democracies should approach the coordination of economic policies. At this first economic summit the leaders of France, the Federal Republic of Germany, Italy, Japan, the United Kingdom, and the United States, engaged in a wide-ranging discussion which dealt not only with monetary problems, but other issues such as trade, North/South relations, and the broader question of improved international cooperation on economic policy.

Rambouillet was a reflection of the growing awareness of the seriousness of the challenges to economic growth and stability in the 1970's. It was also a recognition that because of the ever-increasing interdependence of national economies these challenges could be better met through consultations on broad economic policy at the highest political level.

In Puerto Rico in June 1976 the main focus was the need to ensure a consensus on the goal of sustaining stable economic expansion in a manner which would reduce the high levels of unemployment without adding to continued inflationary pressures. The careful balance that must be struck to achieve expansion without increased inflation was clearly the key issue which benefited from high level exchanges. Prime Minister Trudeau, who joined the leaders of France, the Federal Republic of Germany, Italy, Japan, the United Kingdom, and the United States in Puerto Rico, emphasized later that such meetings were not so important because of new facts which emerged but rather "in terms of creating a collective consciousness about how we, the industrialized democracies, are tackling these problems with slightly different instruments, but all working toward the same goal".