

11 May 1973

To: Rolland Bushner
From: Ken Wise
Re: Two far-overdue meeting reports (April and March)

1) DR. E. T. ALLEN. 23 persons present, including one guest. Met on March 14, 1973. Dr. Allen is Deputy Assistant Secretary of Commerce for International Research. Topic was: "Challenges in the Export Business in the 1970s."

He read (well) from a prepared text, with emendations. He held the attention of the group well. Perhaps because of my shallow background in international economics my interest in his presentation was high. But the discussion following was rather brief.

Dr. Allen described the obstacles to becoming number one in trade again. The problem is to seek first equilibrium in trade, then balance. "Inflation is less a problem than our low rate of reinvestment at home and our failure to control the increases in export prices. Only our high technology in products and services kept us in the black so long... . Our research and development has been heavily bent toward the military instead of the 'domestic,' civilian sector." He touched on the "perceptual lag" of the cold war thinking and how it prevented our capitalizing on the opportunities of trade with "Communist" countries earlier, when we should have. He noted the quality of our work force is declining; illiteracy is rising; we are training for nonexistent jobs. "Trade barriers we helped Europe create in order to get them on their feet are now frustrating us." And the IMF needs restructuring. Etc. As I said, I found it stimulating.

Questions leaned on the Russian wheat deal (who profited?). On possibilities of Japanese investment in the U.S. and the desirability of this.

2) GUY VANHAEVERBEKE, Deputy Director, European Community Information Service, D.C. 116 persons present, including 68 guests. Because of the formality of the situation, with 30 other diplomats in the room and the lateness of the hour, the discussion period was short.

Vanhaeverbeke's command of English is excellent; his humor wry; his eye atwinkle. He is quite in command of his subject and ~~is~~ able to duck touchy questions deftly but willing to discuss them with the individual questioner outside of the meeting.

He reviewed the interactions of the EEC (EC) and the U.S. He paid special attention to the questions of monetary policy, trade, and possible future members of the EC. Questions dealt with multinational corporations, relations with Israel, and future U.S. investment (please evaluate this).

3) We have tentatively agreed to a 26 November meeting with John Ford,