

010



Prime Minister

Content with the approach described in paragraph 14?

W.0625

PRIME MINISTER

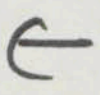
A. J. C. $\frac{8}{10}$

WORKING GROUP ON TECHNOLOGY, GROWTH AND EMPLOYMENT

At the Versailles Summit Heads of State and Government agreed to set up a Working Group of representatives of their Governments and the European Community to report on Technology, Growth and Employment by 31 December 1982. The Declaration refers to the Working Group being set up "in the context of" the Report presented at the Summit by President Mitterrand and states that the conclusion of the Report and "the resulting action" will be considered at the 1983 Economic Summit.

2. The Working Group met twice in August and September and meets again at the end of next week. Three further meetings are scheduled in November and December. I have been joined in the UK delegation by Mr Roith, Chief Engineer and Scientist in the Department of Industry and by representatives from the FCO and our Embassy in Paris. The meetings have been chaired by the French, generally by the French Sherpa, Attali.

3. A recurring theme in the discussions has been cooperation between countries. This theme does appear in the original paper by M. Mitterrand and "cooperation in the exploitation of scientific and technological development" is specifically mentioned in the Declaration. However, by the time of the first meeting of the Working Group, cooperation, especially in scientific and technological development and in the creation of new institutions, was becoming an end in itself. The UK delegation has repeatedly emphasised the need to return to the major theme of the Working Group, namely the harnessing of technology for growth and employment. We have received strong support from the German delegation in this task.



4. The French, from the Chair, have been pushing strongly for "concrete projects" to be agreed by the Working Group and on which action would be taken immediately following the Working Group's report. This is a literal interpretation of the Declaration but most other delegations have taken the view that the report should be considered by Heads of State and Government before implementation.

5. The French, uniquely amongst the nations represented, are expanding their national R & D expenditure and their desire for "concrete projects" could well be related to this. M. Mitterrand has also shown a strong personal interest in this. All other delegations, either privately or in public, have indicated that they do not anticipate allocating significant new resources to implementing the proposals of the Working Group, although they would be prepared to re-allocate existing resources.

6. Following inter-Departmental discussion, the objectives of the UK delegation in the discussions of the Working Group have been as follows:

✓ (a) To ensure that discussions are focussed on the theme of the harnessing of technology for economic growth and employment;

✓ (b) to develop your own suggestion that the Working Group should consider how public opinion could be influenced to welcome and not fear the arrival of new technology;

✓ (c) to take our share of leadership in preparatory work for projects and Working Group meetings;

(d) to maintain a positive attitude to the Working Group, supporting the French chairmanship as far as possible;

provided it accepts own objectives

(e) to maintain a positive position where the studies of the Working Group relate to developing countries.?

7. On (a) we have continued to stress the prime importance of the role of the private sector in the exploitation of science and technology for economic growth, with the role of Governments

limited to creating the right climate for innovation, removing barriers to the exploitation of technology, and providing resources for appropriate education, training and basic research. This view has received broad support in the Working Group, especially from the German and American delegations.

8. On (b) and (c) much of the discussion of the Working Group to date has been based on proposals for projects or studies on specific areas of science and technology and its exploitation. About 25-30 proposals have been made, of which the United Kingdom has been responsible for four, as follows:

✓ (a) Public acceptance of new technologies. We are suggesting case studies on the acceptance/non-acceptance of new technologies in various countries, leading to an identification of the factors which are most likely to influence public opinion towards the acceptance of new technologies. These lessons could then be applied to technologies which are presently being introduced, such as information technology and biotechnology;

✓ (b) Materials, where we are suggesting that new materials are frequently the key to developing new technologies, and that the rapid use of new materials in international markets is currently hindered by the incompatibility of national standards in metrology and the manufacture, testing and service performance of new materials;

✓ (c) Renewable sources of energy, where we are suggesting that the availability and cost of energy can hinder growth through the use of technology and that the exploitation and commercial use of currently-available technology should be promoted;

✓ (d) Food technology, where we are suggesting that the limiting factor in the use of the vast improvements that have been made in agriculture is the technology of food production and use and hence the balance of work should be shifted from agriculture towards food.

9. A complete list of the projects currently under examination by the Working Group is attached in the Annex. The subjects are very wide-ranging and the relation of some of them to economic growth and employment is tenuous to say the least. This problem has arisen because of the preoccupation of some delegations with cooperation for its own sake.

10. The number of projects which are finally included in the recommendations of the Working Group will represent a reduction to at least half of the current list. We believe that the UK interests will be best served if the projects on public acceptance of new technologies, and materials, appear in the final report.

11. In our proposal on public acceptance of new technologies we will use the significant academic work in this field in the UK and also the work of the recently-formed Technical Change Centre.* The most likely outcome is an increased recognition of the importance of work in this field and more attention to international comparisons. Any additional costs consequent on maintaining UK leadership in this area will be small and could probably be met by re-allocation within the Science Vote.

12. In the proposal on materials we propose to use the world-wide reputation of the National Physical Laboratory but also to bring in the specific expertise of a number of other Government and independent research laboratories. We believe that there would be significant commercial advantage to the UK to take the lead in stimulating trade and use of new materials. There may be a need for additional resources for the NPL on a pump-priming basis.

13. A number of the other countries have in mind proposals which would make one of their own institutions the leader in a particular field - for example, Italy has made a proposal in the field of solar energy, France in biotechnology, Germany in High-speed ground transport, and the USA in some areas of basic science. We believe that the choice of materials as an area for the UK is a good one because it is a generic technology which influences and stimulates

* Jointly funded by the Leverhulme Trust, the Science and Engineering Research Council and the Social Sciences Research Council.

1) only

I do not like
France taking
biotechnology
when most of
the fundamental
research is done
here.

A

many of the other technologies which are being considered by the Working Group.

14. So far it has been possible for the UK delegation to reserve its position on all the substantive issues before the Working Party. However, at the next two meetings it will be necessary to state our position and I would therefore ask for your views on whether or not our approach is correct in the following key areas:

(a) Our generally positive attitude to the whole exercise while being tough on the need to stick to what we see as the original remit of the Working Group; and on the key role of the private sector;

(b) our proposal to bid for leadership in the areas of public acceptance of new technologies, and materials, and to be prepared to put the necessary resources into these if we are successful in our bid;

(c) to use the Working Group to stimulate the effective operation of existing institutions and international agencies rather than to create new ones.

RBN

ROBIN B NICHOLSON
Chief Scientist

cc: Sir Robert Armstrong
Mr Gregson
Mr Sparrow
Mr Roith
Mr Stone

Cabinet Office
8 October 1982

I have the feeling that
once again we are being out to
the French and that the objective of
the Working Party has now been changed
by them to help out with some
of their own projects in the guise of
'co-operation'. We must not be taken along
this road. At present I am not happy with
our choice of subjects. We do not need it sufficiently
not

	<u>Leaders, Co-leaders</u>	<u>Interests</u>
- Nuclear Fusion	EUROPE (EC)	Japan, Italy, France
- New and Renewable Sources of Energy	GREAT BRITAIN	Canada, Japan
- Solar energy	(JAPAN (ITALY	Europe (EC)
- Biogaz		France, Europe (EC)
- Research on Safety of Light-water Reactor	(ITALY (JAPAN	France, Europe (EC)
- Biotechnology	FRANCE	Japan, UK, Germany, Europe (EC)
- Pharmaceutical products	CANADA	UK
- Photosynthesis	JAPAN	UK, France, US
- Food technology	GREAT BRITAIN	Canada, Europe (EC)
- Aquaculture	CANADA	US, UK, Germany, Europe(EC)
- Disposal of radioactive waste	EUROPE(EC)	Italy, UK, Japan, France
- Robotics	(FRANCE (JAPAN	UK, US(?), Germany, Canada, Europe(EC)
- Public acceptance of new technology	GREAT BRITAIN	Europe(EC), Germany, Italy, France
- New technology applied to culture, education and professional training	(FRANCE (CANADA	Europe(EC), UK
- Computer-assisted translation	EUROPE(EC)	
- Fast trains	GERMANY (FRANCE ?)	Europe(EC)
- Fast Breeder Reactor	UNITED STATES	Japan, UK, Germany, France
- High energy physics	UNITED STATES	Japan, France, Canada, Germany
- Materials	GREAT BRITAIN	France, Italy, US
- Deep ocean drilling	UNITED STATES	France, UK, Germany, Japan
- Planetary exploration	UNITED STATES	Germany, UK, Japan, France
- Global habitability	UNITED STATES	UK
- Remote Sensing by satellite (Training, Climatology, Pollution)	EUROPE(EC)	UK, Canada, Italy, Japan, France.

28 OCT 1982

123456789