

PRIME MINISTER

BILATERAL WITH THE CHANCELLOR: 28 JANUARY

I gather the Chancellor may want to discuss interest rates with you. Whether he has any proposals to make will probably depend on the reception in the markets to tomorrow's trade figures.

I suggest the other main items should be follow-up work following your dinner with the Chancellor last Sunday. There are some aspects of his proposals where it might be helpful to insist on the early submission of detailed papers so that we can crawl over them.

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Paul Gray

27 January 1988