

September 1981

14 Monday Reshuffle Day

JP has been taken to task by Whitehead for being disloyal and holding a pistol to PM's head. It was wrong, said W.W.

Lunch at "Economics" - all fairly enthusiastic for my wage cutting scheme.

Finished Melbourne speech for PM (World Economy) - made a fine commitment to free trade

15 Tuesday

CPRS paper on Pay - not good (John Ruckard's work) proposes study of Wage Increase Tax WIT

7.00 Ian McGregor on GGP - He wants to sell steel from Ravenscraig. He could get oil cos only if

16 Wednesday there is a good price for gas

Norman Strain did mighty things on TV - Criticised Pym and Thorneycroft entirely justified! But he must give up his No. 10 job, I think, since how can John get cooperation from Pym etc?

12.30 lunch with Bob Bee and Adam Smith Director (Eamon Butler) - launching the Public Expenditure Study.

Dreadful job trying to finish Just of Directors speech

1981 September

Thursday 17

10.30 Walter Selowen to see PM - I pined him on EMS

Finishing Just of Directors Speech

B/E. - W.S. said Scholey would be a good man. (John Baring does not want the job)

Florde, George and Goodhead - background of interest rate
Very worried about Sept/Oct since £2 Bn + will be required to finance the VAT refunds. Should be OK after that - problem of convincing the markets
Note to PM on this issue

Lunch at Grinlays Discount House - very enthusiastic about our leader - increased contributions to

2.45 - 4.15 Speech for Melbourne - PM liked it v much
Did not like Nigel Lawson's draft
(Chancellor etc followed me in to room - but Tim left)

Note to PM on distinction between money and credit

Saturday 19

Sunday 20