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NOTE FOR THE RECORD

The Chancellor called on the Prime Minister at 0900 hours this morning. The main points of their discussion are recorded in my letter of ^{and *Clin Whitson's*} today's date to Tony Battishill. The Chancellor also mentioned that Treasury officials had completed a review of the possibilities of a special tax on bank profits. They had concluded that this would be extremely difficult. He agreed with this assessment; but the high level of bank profits was going to cause problems. He intended to discuss this further with the Governor shortly. He would also take up the question of re-introducing some kind of controls on bank lending. While this might not have any major effect, it might still have some symbolic use.

TV

10 January 1980

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