

Sir G. Howe MP
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HOUSE OF COMMONS
LONDON SW1A 0AA

2nd July 1976

Private and Confidential

Thank you for your letter of 24th June about your talk in San Francisco, the subject of which we discussed at the Economic Reconstruction Group on the day on which you first mentioned it. Later on the same day I sat next to McMahon at lunch and, to me at least, he took a slightly different line to the effect that the Bank and the Treasury did know more than you imply about the technicalities. John Nott is disposed to take the same view.

See
your!

Even so, we agreed (at the E.R.G. meeting) that it would be sensible to get together a small group of academic monetarists in order to promote further thinking on this and to work out ways of influencing informed opinion in the right direction. Brian Griffiths and Adam Ridley are taking the action to convene such a meeting before the House rises.

I have already discussed the point with Ralph Harris and he has suggested the possibility that a group of the right kind of people (hopefully including some from the Treasury and the Bank) might be assembled to meet Milton Friedman on a private occasion when he will be in London on 31st August or 1st September. Subject to any adverse comment from those who receive this letter, this strikes me as a good idea.

I shall be keeping in touch for a further discussion with Jeremy Morse during the course of the next week or so.

- The Rt. Hon. Sir Keith Joseph, Bt., MP.,
- c.c. The Rt. Hon. Margaret Thatcher, MP ✓
- John Nott, Esq., MP
- David Howell, Esq., MP
- Adam Ridley, Esq.,
- Brian Griffiths, Esq.