

SECRET

No

541
The Governor is aware. CIRCULATION

JF reported at Books this morning a conversation yesterday with Litter:

- 1) There are some incipient doubts about Cabinet cohesion re economic policy. The presence of the Home Secretary at the late MHR meeting is thought to be highly significant.
- 2) It is thought that getting any further public spending cuts through Cabinet could be very difficult.

JF
27
11.