



CHANCELLOR

cc Chief Secretary  
Sir D Wass  
Mr Ryrie  
Sir K Couzens  
Mr Burns  
Mr Middleton  
Mr Britton  
Mr Lavell  
Mr Monck  
Mr Turnbull  
Mr Ridley

INTEREST RATES

I have seen Mr Burns' minute to you of 18 February.

I agree in particular with his suggestion in paragraph 5 that any change in interest rates should be made in the Budget so that any alteration of emphasis can be set in context; and with his conclusion that some weight should be given over the year ahead to real interest rates in order to improve our description of the overall monetary stance.

*NL.*

NIGEL LAWSON  
19 February 1981

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