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STATEMENT OF 364 ACADEMIC ECONOMISTS

I understand that the Financial Secretary may be making a short radio appearance this lunchtime to respond to the statement by 364 academic economists critical of Government policies, widely reported in today's press.

2. Sam Brittan's response to the statement (today's FT Lombard) I think strikes just the right tone. Points to make would be:

- Exercises of this sort have a long history. I recall a similar academic round-robin some ten years ago on the question of EEC membership (on which the economics profession were divided 50=50).
- As Sam Brittan notes, the statement does more to discredit the economics profession than Government policies. In fact the lack of professional consensus in regard to inflation and unemployment is nothing new.
- The list of signatories (with possible exception of Professor Meade) is predictable, with a heavy Cambridge bias.
- The statement itself is extremely short and is couched in terms of vague generalities. It says "there are alternative policies" but not what these are.

- The statement is ill-timed given the growing evidence that policies are reducing inflation and that the recession may be bottoming out.
- Treasury Committee Report on Monetary Policy, which drew on a wide range of academic evidence, gave support for the general thrust of Government policy, through criticising specific elements of policy.

Allen Williams

PP · R I G ALLEN
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