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Prime Minister (2)

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

A pity that this
was necessary.

Jonathan Spencer Esq
PS/Industry Secretary
Department of Industry
Ashdown House
123 Victoria Street
LONDON
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MS 10/9

10 September 1982

Dear Jonathan,

Your Secretary of State will be keenly aware of the tension between various recent statements of the CBI (notably Sir Terence Beckett) and the views of Ministers on the condition of industry.

The Chancellor took the opportunity of speaking to Sir Terence Beckett about this on the telephone at the beginning of this week, and they agreed that a special effort should be made to cool matters. This was satisfactorily reflected (or so the Chancellor understands) in the terms of Sir Terence's subsequent appearance on Panorama, and will be similarly reflected on our side in the tone of a letter about to go to the CBI's Deputy Director-General in reply to representations he had made about the remarks by Mr Wakeham at Maldon on 19 August.

The Chancellor believes that though we cannot expect to dissolve entirely differences of perspective and interest between the Government and CBI in current circumstances, this agreement to lower the public temperature is bound to be helpful. He hopes his colleagues agree, and will be bearing the matter in mind in framing any public remarks on the condition of industry and of the economy in general.

I am sending copies of this letter to No.10 and the Private Secretaries to other Cabinet members, as well as to Richard Hatfield and Gerry Spence.

Yours ever
Peter

P S JENKINS