

PRIME MINISTER

ERM

The Chancellor would like to see you for half an hour on Monday to talk about the meeting scheduled for Wednesday on whether the UK should join the ERM. You will remember that this will be the meeting involving a larger group of Ministers.

The Chancellor is pencilled in for 1645 hours and he knows that this is subject to the needs of your Guildhall speech. But I do recommend you to agree to see him. I understand privately that he is considering whether it would be helpful to his case for the meeting on Wednesday to go ahead. I suggest that you should leave him to decide this: the decision on whether we join is of central importance to his responsibilities.

The Treasury have sent in answers to our questionnaire. They put the case for joining very well, but they do only put that side of the argument. Would you find it helpful to have a few minutes with Nigel and me at some stage during Monday about the arguments which Alan Walters put to you?

Yes - if time permits

DN

David Norgrove
8 November 1985