



Treasury Chambers, Parliament Street, SW1P 3AG
071-270 3000

3 September 1990

Charles Powell Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1A 2AA

Handwritten notes:
B/T to Brady for
PM's meeting
with Brady
3/9

Handwritten initials:
CPM 4/9

Dear Charles

SECRETARY BRADY'S VISIT TO LONDON

As you know, Secretary Brady spoke to the Chancellor on the telephone on Friday evening about his visit to London. He was concerned to arrange matters so that he and the Chancellor could meet. In the event that proved impossible because the Chancellor is going to Portugal on Tuesday evening and then on to Spain on Wednesday prior to the important discussion of EMU at ECOFIN on Friday and Saturday. He has asked the Chief Secretary to see Mr Brady in his place.

During the conversation Brady said that he would be visiting England, France, Japan and Korea while Baker was going to the Emirates, Saudi Arabia, Germany and Italy. Their aim was to put together a financing plan for the "front line states", ie Turkey, Egypt and Jordan and more generally to seek support for facing up to Iraq not only militarily and politically but also economically. He said he would be seeking support for a short-term plan to help the front line states in the next few months, an agreed approach for further support in 1991, and an agreement to ensure that the IMF and World Bank "are responsive to all this in their programmes" (which, I suspect, means using their funds to help countries which may be affected by economic sanctions and being willing to adapt programmes for the front line states to reflect the changed conditions).

CONFIDENTIAL



I am sending a copy of this to Stephen Wall and Jeremy Heywood in the Chief Secretary's office.

V...
Jsr

JOHN GIEVE
Principal Private Secretary