



10 DOWNING STREET

LONDON SW1A 2AA

THE PRIME MINISTER

Strictly private and confidential.

Sunday

Dear Alan,

May I put down some of my own thoughts in this very private letter.

First: my feeling of immense gratitude to you for the quality, integrity and soundness of the advice you have given me over the years. I believe the work you did in my office, especially with the Treasury during our first administration, put us on the right path and was the foundation of our later success. People of your own professionalism and modesty are often the victims of a ruthless media which lacks of compassion and realities personal harassment and bullying of people and their families disregarding all rules of decency and privacy. Fortunately you have had a very good press in the

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Papers which like me, fervently believe you are right.

Second, during our second and third administrations we were never able to secure the freely given co-operation of the Treasury team of the kind we had in the first. So the lively services and discussions we used to enjoy and where we hammered out the various arguments became a thing of the past.

Third, I was truly appalled when Nigel asked whether I would disagree with your advice. It seemed to me a totally unjust and shoddy thing to do and I would never have done it. Moreover it would only have created a new set of problems between No 10 and No 11 which would have been a field day for the press and highly damaging for the government. We needed to resolve differences not to create new ones. Moreover

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Third, I was truly appalled when Nigel asked whether I would dispense with your advice. It seemed to me a totally unjust and shocking thing to do and I would never have done it. Moreover, it would only have created a new set of problems between No.10 and No.11 which would have been a field day for the press and highly damaging for the government. We needed to resolve differences not to create new ones. Moreover



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I could not believe that that was the real reason for the threatened resignation. Nigel seemed determined to go and unwilling even to think about it for a further day or so.

Fourth, as you know he has left us with high inflation, an own goal, and a very high trade deficit which is a particularly sensitive item in British politics. Not to mention the very high interest rate which falls particularly heavily on some people. It will take us all our wisdom and time to recover to the sound basis that people expect of us.

Truth and loyalty are very difficult things to pursue. But, like you, I shall continue to do just that, for those qualities are essential for leadership and for the good of politics.

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I deeply regret the troubles that have
been caused to you & Puddy and your family
because you have been such a wonderful adviser
and friend to No 10 and to Britain as well as to me.

I hope you will come to London
frequently and contact us so that the
friendship which we value so much, may
continue. And perhaps a little advice too.

Doris joins me in sending our
warmest regards to you both.

With gratitude.

Yours ever

Margaret

[p4]

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Denis joins me in sending our warmest regards to you both.

With gratitude
Yours ever
Margaret