

NOTE FOR THE RECORD

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SIR ALAN WALTERS' BOOK

I spoke to Sir Alan Walters about the attached report. He confirmed that he is working on a book on fixed v. flexible exchange rates. He expects it to be published around April/May 1990.

He says it will be a discussion of the economic issues and will not, contrary to the report, discuss the constitutional questions raised by Mr. Lawson's resignation. It will be a piece of economic analysis rather than political biography. I asked whether it would touch on the advice he gave while retained by No. 10. He said it would not although he would want to get on record that he fully approved of the position on ERM taken at Madrid. He agreed to clear the draft with me.

The book will also contain his ideas for a commodity standard as an alternative to the Delors proposals for EMU.

Whether the book turns out to be a purely academic work remains to be seen, though if it succeeds in explaining his otherwise incomprehensible commodity standard ideas it would prove worthwhile.

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ANDREW TURNBULL

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cc: John Gieve, H. M. Treasury

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## LONDONER'S DIARY

# Walters tells of Lawson resignation

JUST AS Nigel Lawson thought he could lie low and concentrate on rebuilding the fence at his Leicestershire home, the whole business of his resignation is to be aired again. Lawson's old old adversary, Prof Sir Alan Walters, is to publish a book in the new year, which according to his publishers will include a "balanced assessment of the Lawson issue".

This latest opus by Sir Alan, who rose from a Leicester slum to be adviser first to Edward Heath and



Sir Alan Walters

then Margaret Thatcher, and whose influence over the Prime Minister caused the Chancellor's resignation, is to be brought out jointly by Collins and the Institute of Economic Affairs. The IEA has published five previous works by Sir Alan.

The IEA's General Director Graham Mather tells me the author has neither decided

on a title nor produced a complete draft, but such is the vigour of Sir Alan's literary endeavours that the book will be ready early in the new year.

"Alan is one of our closest pals here and we expect his book to be the most interesting economic work for years. Not only will it be authoritative and educational, it will also be very entertaining."

Helen Ellis, Collins publicity director, and Graham Mather confirm that the book will address the constitutional questions raised by Nigel Lawson's resignation. "It will not be a 'My Daily Diary' book," Mather tells me, "but it will cover everything relevant."

Mather is candidly thrilled at this coup for the IEA. "All we need now is Nigel Lawson's book as well," he says, overlooking Lawson's insistence that he has no intention of rocking the boat before the next election. Sir Alan was out on a run when I called him, so unable to comment.