



cc 720

J.P.

10 DOWNING STREET

From the Private Secretary

9 December 1983

The Prime Minister has asked me to thank you for the telegram which you sent to her in New Delhi about the Commonwealth Report "Towards a new Bretton Woods".

I enclose a copy of the Commonwealth Heads of Government's New Delhi statement on economic action. This addresses the issues raised in the report and in the two other Commonwealth economic reports prepared since the Commonwealth Heads of Government Meeting in Melbourne in 1981.

The British Government accepts much of the detailed analysis in the "Towards a new Bretton Woods" report, for example the desirability of sustained non-inflationary growth, and the need to encourage direct private investment. But the Government has strong reservations on practical grounds about the report's recommendation that a preparatory process for an International Monetary Conference should be put in hand now. When the report was discussed at the Commonwealth Finance Ministers' meeting in September, the Chancellor of the Exchequer proposed the formation of a Commonwealth group to work with the international financial institutions to identify changes which would command international acceptance. The Commonwealth Heads of Government agreed to set up a consultative group to promote a consensus on economic issues and report to Commonwealth Finance Ministers next year. They also asked the Commonwealth Secretariat to examine the developing country debt problem with the assistance of a group of experts. The membership of the consultative group, which includes Britain, reflects the Commonwealth's unique composition. We believe this represents a positive outcome of the Commonwealth Heads of Government Meeting.

A. J. COLES

The Rt. Hon. Lionel Murray, OBE.



No G.R. ← CLK?

Foreign and Commonwealth Office

London SW1A 2AH

9 December, 1983

Dear John,

Type letter pl.

PP 3/12.

CHOGM: 'Towards a New Bretton Woods'

Thank you for your letter of 30 November about Mr Len Murray's telegram to the Prime Minister on this subject.

I now enclose a draft letter from you to Mr Murray. It has been cleared with Treasury officials.

I am copying this letter to John Kerr at the Treasury.

Yours ever,

Peter Ricketts

(P F Ricketts)
Private Secretary

A J Coles Esq
10 Downing Street

DRAFT: minute/letter/teleletter/despatch/note

TYPE: Draft/Final 1+

FROM: John Coles

Reference

DEPARTMENT:

TEL. NO:

SECURITY CLASSIFICATION

TO: The Rt Hon Lionel Murray PC OBE
General Secretary
Trades Union Congress
23128 Great Russell Street
LONDON WC1

Your Reference

Top Secret

Secret

Confidential

Restricted

Unclassified

Copies to:

PRIVACY MARKING

SUBJECT: CHOGM: 'Towards a New Bretton Woods'

.....In Confidence

The Prime Minister has asked me to thank you for the telegram you sent to her in New Delhi about the Commonwealth Report 'Towards a new Bretton Woods'.

CAVEAT.....

I enclose a copy of the Commonwealth Heads of Government's New Delhi statement on economic action. This addresses the issues raised in the report and in the two other Commonwealth economic reports prepared since the Commonwealth Heads of Government meeting in Melbourne in 1981.

The British Government accepts much of the detailed analysis in the 'Towards a new Bretton Woods' report, for example the desirability of sustained non-inflationary growth, and the need to encourage direct private investment. But the ~~British~~ Government has strong reservations on practical grounds about the report's recommendation that a preparatory process for an International Monetary Conference should be put in hand now. When the report was discussed at the Commonwealth Finance Ministers' Meeting in September, the Chancellor

Enclosures—flag(s).....

of the Exchequer proposed the formation of a Commonwealth group to work with the international financial institutions to identify changes which would command international acceptance. The Commonwealth Heads of Government agreed to set up a consultative group to promote a consensus on economic issues and report to Commonwealth Finance Ministers next year. They also asked the Commonwealth Secretariat to examine the developing country debt problem with the assistance of a group of experts. The membership of the consultative group, which includes Britain, reflects the Commonwealth's unique composition. We believe this represents a ~~very~~ positive outcome of the Commonwealth Heads of Government meeting.

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Len MURRAY
9/12

J. E. K.

Chased Fco 9/12
on its way

10 DOWNING STREET

From the Private Secretary

30 November 1983

CHOGM: "TOWARDS A NEW BRETTON
WOODS"

I enclose a copy of a telegram which
the Prime Minister received in New Delhi
from Mr. Len Murray.*

6/F. /
I should be grateful if you could
provide a draft reply for my signature as soon
as possible.

J. COLES

Roger Bone, Esq.,
Foreign and Commonwealth Office.

* Dated 22 or 23/11/83. see Pt 6.