



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

30 May 1990

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

Dear Mr Powell

EMU

Sir Michael Butler <sup>Adap P17</sup> wrote to the Prime Minister on ~~23~~ <sup>Adap P16</sup> April and again on 1 May spelling out his suggestions on EMU. He has now published his ideas in The Independent. As you know, the proposals for a "hard ECU" are discussed in the Chancellor's latest minute to the Prime Minister on this subject and officials are doing further work with the Bank of England on the concept.

I do not think that any substantive response to Sir Michael is needed at this point but, if you have not already do so, you may wish to send an acknowledgement on the attached lines.  
...

Yours sincerely

Kate Gaselkie

JB JOHN GIEVE  
Principal Private Secretary



DRAFT LETTER FROM THE PRIME MINISTER

Sir Michael Butler  
Hambros Bank Ltd  
41 Tower Hill  
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EC3N 4HA

EMU

I am most grateful for the further thoughts in your letter of 23 April. I have also seen the detailed note about how the scheme worked up in the paper by your European Committee would work in practice, which you sent to Charles Powell on 1 May. Your paper will be a most useful contribution to the debate,

*e we are thinking very hard about how best to proceed.*

*— a — mar*

*e*

Euro Fou: EMS PTA