

S41/1

SECRET

The Deputy Governor } separate
M Lochris } copies

Copies to the Governor
GAS

UN 25/8

I attach a copy of my note to the Governor on the agenda for the meeting at No 11 tomorrow (Thursday).

The meeting is to be in 3 parts:

- i. At 3.45, the Governor will see the Chancellor, alone.
- ii At 4.00, the Deputy Governor & Sir D. Warr will join the meeting to discuss Items 1 & 2
- iii At about 4.30, M Lochris, plus Sir K. Cargen, Turnbull and ? Parry will be added and the remaining Items 3-7 will be covered.

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25/8

Meeting took place.

THE GOVERNOR

John Kerr rang at 10.40 to discuss Thursday's meeting at 4.00. He suggests that the subjects are likely to be:

- 1 Interest Rate Policy
("The CE welcomed, he said, the cut in our rates yesterday and is still inclined to push rates down.")
- 2 Funding Policy
- 3 Argentina
- 4 Mexico
- 5 The wider questions of the World Banking System to be discussed at the PM's seminar
- 6 ECOFIN - any points that the Chancellor wants stressed, which would include the extreme political importance of a proper EEC Budget settlement.
- 7 Developments in the US and their implications.

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- 3.45: The Governor to see the Chancellor alone
- 4.00 The Deputy Governor and Sir Douglas Wass to join the meeting to discuss Items 1 & 2
- 4.30 ADL, Sir Kenneth Couzens, Turnbull and ?Peretz to
approx join meeting and Items 3-7 will be discussed
-5.30

34/11

Re Governor

GWT Butler

John Ken rang at 10.40 to discuss Thursday's mtg at 4.00.

He suggests that the subjects are likely to be:

1. Interest Rate Policy. ("The C.B. welcomed, he said, the cut in our rates y'day & is still inclined to push rates down")

2. Funding Policy

3. Argentina

4. Mexico

5. Re under question of the World Banking System
He discussed at the P.M.'s seminar.

6. ECOM - any points that the Chancellor wants stressed, which wld. include the extreme political importance of a proper BEE Budget settlement.

7. Developments in the U.S., & their implications.

He thinks a tête à tête is impossible given the agenda & suggests a 2-part mtg:

a. You, the Chancellor & Wass - for 1. & 2., say 1/2 hour

8 then b. As above + Coopers, Turbitt & ? Perety + more Bank people if you wish, for 3-7, until 5.30

R 25/18