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From the Private Secretary

3 July 1989

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GLOBAL ENVIRONMENT: ECONOMIC ISSUES

Thank you for your letter of 30 June, covering a paper for the Prime Minister on the economic aspects of international environmental issues. The Prime Minister thought it was a good paper, although with a bit too much jargon in places. She suggests one or two amendments as follows:

- paragraph 3.2, fifth and sixth sentences to read: "In these circumstances, it is better to anticipate the risk with corrective policies: the Montreal Protocol designed to phase out the use of CFCs is a case in point. However, to the extent that environmental damage has already arisen, there may be no alternative to policies which adapt to the new situation: the response to sea level rise is a striking example."
- subheading to paragraph 3.4 to read: "Future Generations".
- paragraph 4.4 last sentence for "preserve a level playing field" substitute "provide a fair basis".

I should be grateful if a revised version could be produced with these changes. I do not think that the Prime Minister has any specific use in mind for the paper: it will serve as a very useful quarry for arguments.

I am copying this letter to Alex Allan (H.M. Treasury), Stephen Wall (Foreign and Commonwealth Office), Neil Thornton (Department of Trade and Industry), Myles Wickstead (Overseas Development Administration), Stephen Haddrill (Department of Energy), Roy Griffins (Department of Transport), Shirley Stagg (Ministry of Agriculture, Fisheries and Food), Trevor Woolley (Cabinet Office) and Nigel Wicks (H.M. Treasury).

C. D. POWELL

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