

B/P with Volcker meeting folder

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② You could raise X with Mr Volcker when you see him in December. AT 27/11

PRIME MINISTER

THE DEBT PROBLEM

I should have told you that I am chairing a meeting on the International Debt Problem on Friday, 30 December.

The members of the group include Fritz Leutweiler, Roberto Campos (ex-Minister of Finance, Brazil), Calos Carceres (ex-Minister of Finance and Economy, Chile), Karl Brunner, Jan Tumlín (Director of Research at GATT), Goh Keng Swee (ex-Minister of Finance, Singapore).

The group is sponsored by the Global Economic Research Institute which is presided over by Robert Anderson (ex-Secretary for Treasury, USA).

The object is to get an informed but independent view of the solutions which have been proposed and to suggest an alternative solution.

You might like to see the attached article which demonstrates that the "100% face value" fiction is gradually cracking. All that is required to bring the edifice down is one modestly large failure (Peru, Bolivia?).

X/

I very much regret that we did not manage to persuade the Fed and the Bank, together with other central banks, to get an orderly disposal market-process going. Now all we can do is contingency planning.

ALAN WALTERS
27 November 1984

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