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**PRIME MINISTER'S
PERSONAL MESSAGE**



SERIAL No. TT15/80 10 DOWNING STREET

Subject filed: *Germany, Jan 80, Internal Situation in the FRG*

THE PRIME MINISTER

7 August 1981

Dear Chancellor Schmidt,

Thank you for your letter describing the measures which your Government intends to take to reduce net government borrowing and stimulate investment. I wish you every success in the attainment of these objectives.

I was encouraged by the large measure of agreement expressed at the Ottawa Summit on the importance of reducing inflation as a precondition for sustainable growth, and on the urgency of restraining public borrowing. The measures you have announced are an impressive demonstration of your government's intention to translate the Ottawa Communique into practice.

All good wishes.

Yours sincerely

Robert Thatcher

His Excellency Herr Helmut Schmidt

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