



HOUSE OF COMMONS
LONDON SW1A 0AA

11th December, 1978

The Rt. Hon. Mrs. Margaret Thatcher, MP
The Rt. Hon. Sir Keith Joseph Bt MP
The Rt. Hon. The Lord Thorneycroft
The Rt. Hon. James Prior, MP
Chris Patten, Esq
Adam Ridley, Esq
John Hoskyns, Esq

I attach an extract from Professor James Meade's lecture "Stagflation, or Making the Worst of Both Worlds", broadcasted on Radio 3 on 15th November.

Although he writes from a broadly Keynesian (and indeed Socialist) point of view he reaches important conclusions about the effect of trade union power. The passage which I have marked on page 15 directly confirms the validity of the Stepping Stones approach.

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12th December 1978

This is just to acknowledge your letter of 11th December and the enclosed extract from Professor Hoad's lecture. I shall certainly make sure that Mrs Thatcher sees this as soon as possible.



Richard Ryder
Private Office

The Rt Hon Sir Geoffrey Howe DC MP