

From: The Rt. Hon. Sir Geoffrey Howe, QC MP



HOUSE OF COMMONS  
LONDON SW1A 0AA

*Home Group  
with  
my answer*

14th October, 1975

*Dr Ad*

This is simply to confirm that my suggestion, following a talk with Keith, that one of the issues which should be looked into by the Economic Reconstruction Group is how far, and if so when, it may be possible for a Government which has attached over-riding priority to the reduction of the borrowing requirement, to accompany substantial cuts in public spending with properly timed and correctly designed reductions in taxation. This issue also involves consideration of the possibility of underwriting such a strategy by additional borrowing from overseas.

The purpose of this note is simply to inform John Nott, David Howell and Keith himself (to whom the note is copied) that the issue is one to which we shall be giving some thought.

Adam Ridley, Esq.,