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10 DOWNING STREET

From the Private Secretary

15 February 1982

TRIDENT

The Prime Minister has seen your minute of 12 February.

She agrees that:

- (a) She may be quoted as "personally very disturbed" by current American suggestions on the R & D levy;
- (b) The approach suggested in your paragraphs 7 and 8 is the best way to deal with the R & D levy problem;
- (c) The procedure in your paragraph 9 is acceptable.

I am sending copies of this letter to Brian Fall (Foreign and Commonwealth Office), John Kerr (H.M. Treasury), David Omand (Ministry of Defence) and David Wright (Cabinet Office).

R. L. Wade-Gery, Esq., C.M.G.,
Cabinet Office.

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