

Chester

PART A

Lowe/Lawson

SECRET

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PO -CH /GH/0135



PART A

Begin: 12/10/82

DD: 25 years

Ends: 13/12/83

[Signature] 6/9/95

CHANCELLOR'S PAPERS ON
SENIOR APPOINTMENTS

PART A

APPOINTMENTS IN CONFIDENCE

Bff 19/10/82



FROM: MISS M O'MARA

DATE: 12 October 1982

(Signature)

MR GOLDMAN

CHURCH COMMISSIONERS

During his visit to the NCVO Conference yesterday, the Chancellor spoke to the present First Church Commissioner Sir Ronald Harris. Sir Ronald explained that he had announced as early as last February his intention to retire in November in order to give plenty of time for a suitable successor to be found. Despite this, no appointment appears to be in prospect. The Chancellor is not sure what locus, if any, the Treasury have in this matter but would be grateful to know the latest position.

Mom

MISS M O'MARA

APPOINTMENTS IN CONFIDENCE

(mf)



FROM: MISS M. O'MARA
18 October 1982

cc: Sir Douglas Wass

SIR ANTHONY RAWLINSON

FIRST CHURCH COMMISSIONER

Over lunch at the NCVO Conference last week, Kenneth Lamb, the Secretary to the Church Commissioners, raised with the Chancellor the question of the appointment of a successor to Sir Ronald Harris who is due to retire next month. Apparently Sir Ronald announced his impending retirement as long ago as last February but a replacement has still not been found.

2. I understand that this is a Palace appointment on which No.10 advise. I have spoken to Mr. Catford at No.10 and have discovered that indeed no suitable candidate is in prospect. A very senior and experienced churchman is required to fill the role but as he is expected to work three-quarters time for a very low salary, it has been found almost impossible to attract someone of the right calibre. The Prime Minister is most concerned that a successor has not yet been chosen and Sir Ronald is also anxious that a solution be found quickly, since he suspects he will be asked to stay on himself pro tem, which he is not keen to do.

3. The Chancellor appreciates that the Treasury have no locus in this matter but would nevertheless like to offer the Prime Minister the names of some suitable candidates, if possible. Those he has in mind are:-

Michael Vernon - ex Chairman of Spillers

Malcolm Anson - ex Chairman of the
Imperial Group

Edgar Palamountain - ex Chairman of M & G

David Hopkinson - also of M & G and with
an interest in Mencap

The Chancellor would be grateful for your comments on the suitability of these names.

mom

MISS M. O'MARA

C
X Was not my description but Mr Catford's. I had no idea of the figure!
would you like it as name names to Mr Catford or do you want to write
MSM
21/10
APPOINTMENTS IN CONFIDENCE to the PM?

From: Sir A Rawlinson
Date: 21 October 1982

Any other systems?
Any views?

CHANCELLOR OF THE EXCHEQUER

*Ask No. 10 if
any of these
names have been considered.*

cc Sir Douglas Wass

FIRST CHURCH COMMISSIONER

*Then I can sign any submission
@ next iteration*

x Miss O'Mara asked me for comments on ideas concerning a successor to Sir Ronald Harris. I have checked with Mr Catford that the "very low salary" mentioned in her minute is £27,450. That is the salary paid at the moment. It is thought that some upward movement might be negotiable, but not much without getting too far out of line with Church stipends generally.

2. Of the four names you suggested, I know David Hopkinson a little. I think he is a good candidate, and indeed in some ways so obvious a one that I wonder if he has not been sounded already. (I have not attempted to check this.) He has relevant professional experience, and also experience in Church circles, being chairman of the Chichester Diocese Board of Finance, and a vocal member of the Central Board of Finance. He is, as you know, lively and energetic, and a critic of ecclesiastical bureaucracy and cumbrous committedom. Without much evidence I suspect that some in Church circles might think him a bit of a maverick. That may be no bad thing.

3. I have no idea whether he would consider taking the job. He has been at M & G for a long time now. Perhaps he would be interested in a change. But he must be earning much more than the salary here suggested.

4. Malcolm Anson I have met but not enough to justify offering an opinion. I know nothing of him as a churchman.

5. Palamountain I do not know. He has relevant professional experience; I do not know about churchmanship. Sir Douglas Wass knows him a little and has some doubts about his suitability for this job.

6. Michael Vernon I do not know. His recorded experience has been less relevant, but I doubt whether that matters much.

A K RAWLINSON



FROM: MISS M O'MARA

DATE: 25 October 1982

cc Sir D Wass

SIR A RAWLINSON

FIRST CHURCH COMMISSIONER

The Chancellor was grateful for your comments on candidates for a successor to Sir Ronald Harris contained in your minute of 21 October. He has asked whether Sir Douglas Wass has any further views on their suitability or any additional suggestions.

J. M. O'Mara
pp MISS M O'MARA

TELEPHONE
01-601 4444

BANK OF ENGLAND
LONDON EC2R 8AH

27 October 1982

PAW

J O Kerr Esq
Principal Private Secretary to
the Chancellor of the Exchequer
HM Treasury
Parliament Street
London
SW1P 3AG

Dear John

The Governor has asked me to send you the
attached note, which, as you know, he
discussed with the Chancellor yesterday.

*Yours ever
T E*

T E Allen
Private Secretary
to the Governor

SOME IMMEDIATE QUESTIONS OF ECONOMIC STRATEGY

1 This note deals only with some more immediate questions which are relevant to economic strategy.

2 The background is the present forecasts, which suggest a slow recovery of the economy next year, posited on a revival of the world economy. None of the forecasts however are so certain as to rule out a continuation of stagnation, or even some further decline. The Chancellor has invited suggestions as to modifications of policy that might in these circumstances reinforce recovery. These larger questions are best considered in the context of next year's Budget, and this need not be discussed now.

3 An interim response on the immediate questions would cover the following topics:

- (i) the response to this year's shortfall on the PSBR;
- (ii) insurance contributions;
- (iii) interest rates and the exchange rate.

This year's PSBR

4 This year's PSBR is running well below the budget estimate of £9 1/2 billion and now seems likely to be only £7 1/2 billion. Measures are being considered to reduce the shortfall.

5 A shortfall represents a further tightening of financial conditions as compared with budget plans. It may be difficult to find measures that would eliminate the shortfall completely, but it seems desirable that the maximum should be done. Such steps would not need to be publicised.

6 On the assumption that success is incomplete, it may also be useful to comment on the attitude that we should take to any shortfall this year. In general it would seem desirable to resist the argument that because the PSBR is lower this year than intended, this should be taken as a benchmark for next year, thus reducing or eliminating the scope for fiscal adjustment next year. It might on the contrary be worth considering the possibility of rolling up, for

presentational purposes, the estimated PSBR this year and next for comparison with the indication in the Medium Term Financial Strategy. If we had known there was going to be the shortfall we would possibly have reduced taxation by a further net £2 billion or so. There is room for particular concern that the shortfall appears to be reflected in some considerable degree in underspending on investment items.

National Insurance

7 Decisions about the level of insurance contributions next year need to be announced soon. There should be sufficient room for manoeuvre in the next budget for it to be possible to make reductions both in national insurance and in income tax; and it might be possible to decide now to reduce the surcharge substantially, eg to 1 1/2%.

Interest rates and the exchange rate

8 It is right also to bear in mind our general posture on interest rates in the light of the considerations set out in the Deputy Governor's letter to the Chancellor of 13 October. What can be done must clearly depend on market conditions here and in the United States. But it might prove possible to see some further reductions in short-term rates in the next month or so.

9 In judging possibilities, one of the major considerations should clearly be the exchange rate. While not having any definite objectives, and while avoiding steps that would imply that we had such objectives, we would need to be ready to accept some fall in the effective exchange rate from present levels. This might be desirable notwithstanding the implications for monetary expansion and for domestic inflation, in view of the importance of considerations regarding international competitiveness and the effect on industry. If circumstances were such as to put upward pressures on the exchange rate, it might be desirable to resort to intervention on a larger scale than has recently been the practice.

Bank of England
27th October 1982

IN CONFIDENCE



ppp

10 DOWNING STREET

From the Secretary for Appointments

EXCHEQUER
 10 NOV 1982
 Se — 10.11
 Economic Secretary
 9 November 1982
 Sir Douglas Wors
 Mr Hall.

Dear Kerr,

I am writing to let you know that The Queen has approved the appointment of Sir Douglas Lovelock as First Church Estates Commissioner in succession to Sir Ronald Harris.

It is intended to announce this appointment from here on Wednesday, 10 November.

Yours sincerely,

Robin Catford

J O Kerr Esq
H.M. Treasury

SENIOR APPOINTMENTS IN CONFIDENCE

From: SIR DOUGLAS WASS

2nd December 1982

MR KERR

CUSTOMS AND EXCISE

Don't see how

Thank you for your minute of 30th November, reporting that the Chancellor was now content to see Mr A M Fraser replace Sir Douglas Lovelock when the latter retires in the New Year.

2. You asked me about the timing of this move. I agree with the Chancellor that there would be some advantage in Lovelock staying until the Budget is more or less in place, which we could perhaps take as 1st March. If Lovelock is not too fussed about this, I would be inclined to press him to agree to this. But I do not think that the Chancellor need make a great issue of it if Lovelock, perhaps under pressure from his new employers, feels he has to go earlier. The Chancellor and other Treasury Ministers will be getting a stream of submissions from Customs in the course of January and February, and there will no doubt be a series of meetings involving Customs officials. But most of these papers will be written and supervised by people below Lovelock, and I do not think that their quality would be much affected if he were not there and his place were taken by Fraser. This is not in any way to belittle Lovelock's contribution to the Department. It has in my view been a considerable one. But the important role played by the Chairman is that of manager of the Department and supervisor of the on-going business. It is not generally his job to make a substantial contribution on policy making.

3. In any case, with his background, Fraser would I think be able to participate in discussions with the Chancellor on Customs' submissions and do so as effectively as Lovelock would.

4. My advice to the Chancellor therefore is on the whole to be fairly relaxed if Lovelock feels strongly; but not at this stage to give up all attempt to persuade him to stay until the beginning of March.

D.W.

DOUGLAS WASS

SENIOR APPOINTMENTS IN CONFIDENCE



FROM: C D HARRISON
DATE: 6 DECEMBER 1982

MR KERR ~~✓~~

TIMING OF SIR DOUGLAS LOVELOCK'S RETIREMENT

In your minute of 3 December, you asked the Economic Secretary whether he agreed with the line recommended in paragraph 4 of Sir Douglas Wass' minute of 2 December.

2. Although the Economic Secretary does not know Mr Fraser, he generally agrees with the reasoning in Sir Douglas Wass' paragraph 2. But with that proviso, he concurs that the presence of Sir Douglas Lovelock is not vital for the run-up to the Budget, and so agrees with the line recommended in Sir Douglas Wass' paragraph 4.

I think DL does feel quite strongly?

CDH

C D HARRISON



FROM THE LEADER OF THE HOUSE
HOUSE OF LORDS

24 January 1983

Dear Geoffrey,

TREASURY SPOKESMAN IN THE LORDS

The recent ministerial re-shuffle has led to a number of subsequent changes in the list of departmental responsibilities in the Lords. Indeed the absence of a Defence Minister in this House has caused us very considerable difficulties.

So far as the Treasury is concerned, Arthur Cockfield will, of course, remain senior spokesman and as usual we will rely on him to do the major, difficult business whenever he can. David Trefgarne, Under-Secretary at DHSS, will also continue as the second spokesman for the Treasury and I am going to ask him to take on the major part of the less important business. But I have had to ask Simon Glenarthur, who was the third Treasury spokesman, to devote his time to those Departments where the legislative load is going to be heaviest and he will therefore act as second spokesman at Industry and the Home Office. He will also act as a key junior spokesman at Defence.

I have therefore asked Charlie Lyell to act as No 3 at the Treasury in his place. He will, I know, be able to take on some of the minor business, such as orders and questions of a technical and uncontroversial nature. More generally, I can give you an assurance that I will keep the position under review and will, if necessary, take steps to ensure that your Business in the Lords is in capable hands.

I am sending a copy of this letter to Arthur Cockfield.

*Yours ever
David*

BARONESS YOUNG

The Rt Hon Sir Geoffrey Howe, QC, MP

pwp

26 January 1983

I am sorry that the original letter went astray. Please find copy enclosed.

Dance.
Pl spk.

GOVT. OFFICE
(219-3131)

Joe.



FROM THE LEADER OF THE HOUSE
HOUSE OF LORDS

EXCHEQUER	
DATE	27 JAN 1983
AC/IC	Mr Salverton 27.1.
COPIES TO	CST, FST, EST
	MST ^c , Mr Milner
	Sir J Warr

24 January 1983

Dear Geoffrey,

TREASURY SPOKESMAN IN THE LORDS

The recent ministerial re-shuffle has led to a number of subsequent changes in the list of departmental responsibilities in the Lords. Indeed the absence of a Defence Minister in this House has caused us very considerable difficulties.

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Yours ever

David

BARONESS YOUNG

The Rt Hon Sir Geoffrey Howe, QC, MP

PERSONAL AND CONFIDENTIAL

A.17

FROM: ADAM RIDLEY
27 January 1983

CHANCELLOR

ADVISERS

...

Attached is a tentative draft minute you asked for recently, which you planned to send to Ministerial colleagues here. I do not doubt you will want to alter it a good deal, but would urge that you write shortly, as we obviously have very little time to lose.

AR

A N RIDLEY



Tou
u. says pl. here typed

P1 type.

PERSONAL AND CONFIDENTIAL

to CST copy to other

~~DRAFT~~ PERSONAL MINUTE FOR THE CHANCELLOR TO SEND
TREASURY MINISTERS
SPECIAL ADVISERS

As you may already know Robin Harris is looking for a candidacy at the next election. I think we would all agree he is likely to get one. If he does, the terms of his employment require that he resigns his Advisership immediately. While it is my hope that we ~~could~~ ^{shall be able to} work out an arrangement through which he could continue to help us with speeches and other presentational matters between his resignation and the election, perhaps involving him moving to the Conservative Research Department, his contribution to our work is certain to be much reduced at best. Since most constituencies will be selecting candidates by the end of March, the odds are that we shall be lucky to hold him beyond the Budget.

Over & above that,

2. Douglas French is also seeking a candidacy and we therefore face ^{a similar} risk that he, too, might suddenly have to resign. However, ^{and} sad to say, I have recently learnt that he will have to leave us shortly in any case ^{before long, and} ~~(for personal reasons)~~ ~~(to return to his firm)~~, at the latest by the time of the Budget.

3. While Adam Ridley will, I hope, be able to stay with us right up to the election, the already considerable demands on his time could only increase even if both his colleagues were to stay. If both Robin and Douglas leave us shortly, there is little or no chance ^{that} he could thereafter take on any of the tasks they currently undertake. Nor is it likely that he will be able to give us ^{all of his time} ~~full~~ support during the campaign itself, though I hope and expect he

PERSONAL AND CONFIDENTIAL

will be able to help us in a number of important respects from time to time.

4. I have therefore concluded that I ought to seek another adviser as soon as possible, ^{both} to fill at least part of the gap we are likely to be confronted with and to assist during the campaign itself. To do so will not be easy given both that the date of the election is uncertain and, if it is early, ^{that} the job might not last very long. While there are no obvious candidates, it might nonetheless be that between us we can either identify a few individuals it might be worth approaching, or at least come up with some ideas for avenues to explore. The sort of person we are looking for should ideally have some political experience; some ^{skill} ~~ability~~ as a speech-writer; some ability to cope with economic and fiscal matters, if not a formal training in them; and the flexibility to switch quickly between the many tasks required of him (or her) here. It could well be that such people exist amongst ^{e.g.} the ~~ranks~~ of ~~would-be candidates~~ or younger active party supporters more generally, and that at least in some cases their employers might be prepared to release or second them for a short stint here. Though the arrangement itself might not last very long, it would be an interesting one and could be of some real value both to the adviser and his employer.

*low
echelons
of business*

5. Since we shall have to act quickly, I should be most grateful if you could let me have any ideas, if possible by next Wednesday, so that I can absorb them before I have to leave for the IMF Interim Committee ^{meeting} *next* *Wed.*



Undisclosed copies

PS/MST(R)

PS/MST(C)

Sei Douglas Wass.

Parliamentary Clerk.

UNCLASSIFIED



FROM PARLIAMENTARY CLERK
DATE 27 JANUARY 1983

PRINCIPAL PRIVATE SECRETARY

cc PS/Chief Secretary
PS/Financial Secretary
PS/Economic Secretary
PS/Minister of State (C)
PS/Minister of State (R)
Sir Douglas Wass

TREASURY SPOKESMEN IN THE HOUSE OF LORDS

Baroness Young's letter of 24 January to the Chancellor advising him of changes she has found it necessary to make in the list of Spokesmen in the House of Lords does not call for any further action on our part. The first two spokesmen on "Economic and Fiscal" Treasury business remain Lords Cockfield and Trefgarne, in that order of precedence. Lord Lyell takes over from Lord Glenarthur as our third Spokesman.

Although the letter makes no mention of it, there is no change in the arrangement whereby the Baroness Young acts as the Treasury Spokesman on Civil Service pay, pensions, allowances and manpower, which flows from the terms of the Prime Minister's announcement of the dissolution of the Civil Service Department on 12 November 1981.

I attach a short courtesy reply that the Chancellor might like to consider sending to Baroness Young.


A J SALVESON

UNCLASSIFIED

P. type

LEFT LETTER

FROM The Chancellor of the Exchequer

TO The Rt Hon Baroness Young, ~~Lord Privy Seal~~ and Leader of the House of Lords, . . .

Thank you for your letter of 24 January explaining the background ^{I quite understand why}
^{you have decided} to your decision to replace Simon Glenarthur with ^{by} Charlie Lyell
 as the third Spokesman for the Treasury ^{in the Lords} on economic and fiscal
^{But I very much} matters. ^{I hope we can still rely on you} Although you make no mention of it in your letter, I
 take it you will continue to answer for us on Civil Service pay, ^{questions?}
 pensions, allowances and manpower, which arrangement, of course,
 flows from the Prime Minister's announcement of 12 November 1981.
 I am otherwise content with what you propose.

I am sending a copy of this letter to Arthur Cockfield.

GEOFFREY HOWE



FROM THE LEADER OF THE HOUSE
HOUSE OF LORDS

EXCHEQUER
27 JAN 1983
Mr Salveston
CST, FST, EST
MST, Mr Midgley
Sir A Wass

24 January 1983

Dear Geoffrey,

TREASURY SPOKESMAN IN THE LORDS

The recent ministerial re-shuffle has led to a number of subsequent changes in the list of departmental responsibilities in the Lords. Indeed the absence of a Defence Minister in this House has caused us very considerable difficulties.

So far as the Treasury is concerned, Arthur Cockfield will, of course, remain senior spokesman and as usual we will rely on him to do the major, difficult business whenever he can. David Trefgarne, Under-Secretary at DHSS, will also continue as the second spokesman for the Treasury and I am going to ask him to take on the major part of the less important business. But I have had to ask Simon Glenarthur, who was the third Treasury spokesman, to devote his time to those Departments where the legislative load is going to be heaviest and he will therefore act as second spokesman at Industry and the Home Office. He will also act as a key junior spokesman at Defence.

I have therefore asked Charlie Lyell to act as No 3 at the Treasury in his place. He will, I know, be able to take on some of the minor business, such as orders and questions of a technical and uncontroversial nature. More generally, I can give you an assurance that I will keep the position under review and will, if necessary, take steps to ensure that your Business in the Lords is in capable hands.

I am sending a copy of this letter to Arthur Cockfield.

*Yours
David*

BARONESS YOUNG

The Rt Hon Sir Geoffrey Howe, QC, MP



ps/p



*PS/MSTR
PS/MSTC
SIR DWASS.
Party. clerk.*

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000 28 January 1983

The Rt Hon The Baroness Young
Leader of the House of Lords

Dear Jane

Thank you for your letter of 24 January. I quite understand why you have decided to replace Simon Glenarthur by Charlie Lyell as the third Spokesman for the Treasury in the Lords on economic and fiscal matters. But I very much hope we can still rely on you to answer for us on Civil Service pay, pensions, allowances and manpower questions!

I am sending a copy of this letter to Arthur Cockfield.

[Handwritten signature]

GEOFFREY HOWE



cc CST
 MST(C)
 Sir D Wass
 Mr Burgner
 Mr Wilson
 Mr Traynor
 Mr Hall
 Mr Ridley
 Mr Bailey
 Mr Williams

Treasury Chambers, Parliament Street, SW1P 3AG
 01-233 3000

1 February 1983

The Rt. Hon. Patrick Jenkin MP
 Secretary of State for Industry

A handwritten signature in cursive script, appearing to read 'Sir Patrick'.

BS BOARD SALARIES: 1982-83

Thank you for your letter of 26 January.

I am glad that you are willing to agree to a figure of £4,000 pa for the non-executive directors. I quite accept that we can consider higher levels than this if it is necessary to secure particular individuals.

As to Mr Griffin, I am unhappy about giving Board members increases which are not justified on merits. We cannot allow the principle of relating increases to responsibilities and performance to be undermined simply to take account of the feelings of those concerned. Mr Griffin has not carried the full duties of a deputy chairman since the appointment of Mr Richardson. Moreover as I expect we shall be looking for a zero increase for the BS workforce this year, it might be salutary if a Board member were to be similarly treated. In an industry in as difficult a trading position as BS this does not seem to me to be an unreasonable or "humiliating" line to take.

However, given the relatively small size of the increase and the fact that Mr Griffin's appointment comes to an end very soon, I do not think it is worth prolonging discussion about this case unduly. Thus if, despite the points made above, you still consider that Mr Griffin should have a 4 per cent increase, I am prepared to accept your judgement.

I am copying this letter to other members of E(NI).

GEOFFREY HOWE

A handwritten signature in cursive script, appearing to read 'Geoffrey Howe'.

APPOINTMENTS IN CONFIDENCE



cc CST
Sir D Wass
Mr Bailey
Mr Burgner
Mr Wicks
Mr Traynor
Mr Hall
Mr Ridley
Mr A R Williams

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

1 February 1983

The Rt Hon Patrick Jenkin MP
Secretary of State for Industry

Dear Patrick

CHAIRMAN OF BRITISH SHIPBUILDERS

I very much support your proposals for a change in the top management at BS (your minute to the Prime Minister of 27 January). Mr Graham Day looks to be a good candidate for the Chairmanship, with the right combination of experience and realism about the prospects for merchant shipbuilding. I agree that if he were appointed in September we should aim to give him a fresh set of objectives in the light of our consideration of the BS Plan in May.

We shall need to consider the question of salary and pension rights when there is something harder to go on. Subject to that, I endorse the proposal to try to obtain Mr Day.

I am copying this letter to the Prime Minister, Michael Heseltine, Arthur Cockfield and to Sir Robert Armstrong.

A handwritten signature in dark ink, appearing to be 'Geoffrey Howe', written in a cursive style.

GEOFFREY HOWE

mp

* 2 mins
with the
same idea



C

Michael Scholar told us you had been enquiring about Adams' future post-election. The Prime Minister is quite content that he should continue to function as a political adviser in some department (unspecified) but expressed a certain surprise that Adam himself wasn't looking for fresh fields, though she'd certainly not want to precipitate his departure. *

— Heint Mom (not actively engaged)

- but will do 31/1

So, I suspect, after G.E.

He wants an award (?)

launching pad - which,

in this case, he now has -

* without facing any so

cause award before G.E.

You might mention to M.S.

5-1

PERSONAL AND CONFIDENTIAL



FROM: MISS J M SWIFT
DATE: 1 February 1983

PRINCIPAL PRIVATE SECRETARY

cc Financial Secretary
Economic Secretary
Minister of State (C)
Minister of State (R)

SPECIAL ADVISERS

The Chief Secretary has seen the Chancellor's recent minute on this subject.

2. The Chief Secretary suggest that very young, but very able, is William Hague, now working for Shell. Mr Hague spoke at the Oxford Union debate in which the Chief Secretary participated recently and, presumably without any special briefing, made a speech that was eloquent, well informed and sensitive in its handling of economic issues. The Chief Secretary understands however that Mr Hague may be fighting a hopeless seat in South Yorkshire.

*Hague will be a
useful addition: mention
to ANR*

MISS J M SWIFT

PERSONAL AND CONFIDENTIAL



1. M. copy also to Po Ridley

2. Refer to me.

JH.

CHIEF SECRETARY

cc Financial Secretary
Economic Secretary
Minister of State (C)
Minister of State (R)

SPECIAL ADVISERS

As you may already know Robin Harris is looking for a candidacy at the next election. I think we would all agree he is likely to get one. If he does, the terms of his employment require that he resigns his Advisership immediately. While it is my hope that we should be able to work out an arrangement through which he could continue to help us with speeches and other presentational matters between his resignation and the election, perhaps involving him moving to the Conservative Research Department, his contribution to our work is certain to be much reduced at best. Since most constituencies will be selecting candidates by the end of March, the odds are that we shall be lucky to hold him beyond the Budget.

2. Douglas French is also seeking a candidacy and we therefore face a similar risk that he, too, might suddenly have to resign. Over and above that, however, and sad to say, I have recently learnt that he will in any case have to leave us before long, and at the latest by the time of the Budget.

3. While Adam Ridley will, I hope, be able to stay with us right up to the election, the already considerable demands on his time could only increase even if both his colleagues were to stay. If both Robin and Douglas leave us shortly, there is little or no chance that he could thereafter take on any of the tasks they currently undertake. Nor is it likely that he will be able to give us all of his time during the campaign itself, though I hope and expect he will be able to help us in a number of important respects from time to time.

PERSONAL AND CONFIDENTIAL



4. I have therefore concluded that I ought to seek another adviser as soon as possible both to fill at least part of the gap we are likely to be confronted with and to assist during the campaign itself. To do so will not be easy given both that the date of the election is uncertain and, if it is early, that the job might not last very long. While there are no obvious candidates, it might nonetheless be that between us we can either identify a few individuals it might be worth approaching, or at least come up with some ideas for avenues to explore. The sort of person we are looking for should ideally have some political experience; some skill as a speech-writer; some ability to cope with economic and fiscal matters, if not a formal training in them; and the flexibility to switch quickly between the many tasks required of him (or her) here. It could well be that such people exist amongst eg the lower echelons of business or younger active party supporters more generally, and that at least in some cases their employers might be prepared to release or second them for a short stint here. Though the arrangement itself might not last very long, it would be an interesting one and could be of some real value both to the adviser and his employer.

5. Since we shall have to act quickly, I should be most grateful if you could let me have any ideas, if possible by next Wednesday, so that I can absorb them before I have to leave for the IMF Interim Committee meeting.

GEOFFREY HOWE

A handwritten signature in dark ink, appearing to be "G. Howe", written in a cursive style.



FROM: CHIEF SECRETARY
DATE: 2 February 1983

(Handwritten initials)

CHANCELLOR

ROBIN HARRIS

I hope that, wherever Robin Harris's political fortunes lead him over the next few weeks and months, we shall be able to make full and effective use of his services, particularly for speeches.

2. In order for him to continue drafting speeches which are well informed and in touch with our thinking it is clearly important that we should establish a system whereby he has maximum access to officially restricted information. There are, of course, various informal ways in which this could be done. But I am sure that we should seek if at all possible to arrange that he should continue, nominally, as a special adviser, though paid by the Party, so as to have regular access to relevant papers.

3. I see no reason why, if public funds are not involved, the rules should not in his case be amended so as to allow him both to be a special adviser and a prospective Parliamentary candidate.

Went exploring just that. Jpk

L.B.

LEON BRITTAN

TELEPHONE
01-601 4444

prop

BANK OF ENGLAND
LONDON EC2R 8AH

21 March 1983

The Rt Hon Sir Geoffrey Howe MP
Treasury Chambers
Parliament Street
London
SW1P 3AG

Acton: Mr. P. H. C. J.
c Sir D. Wain
~~Mr. M. G. G. G.~~
~~Mr. M. G. G. G.~~
~~Mr. M. G. G. G.~~
22/3
Sir A. R. M. S. M.

My dear Geoffrey

ARCHBISHOP OF CANTERBURY'S STOCK EXCHANGE ADVISORY PANEL

I have been asked by Sir Douglas Lovelock, the First Church Estates Commissioner, to advise on the selection of a suitable replacement for Sir Francis Sandilands, who is retiring from this Panel after 18 years service. You may recall that the normal procedure in respect of appointments to this Panel is one in which I suggest a name and, if you are content, you then offer it to the Archbishop. Douglas Lovelock has mentioned the name of Sir Hector Laing as one possibility, and he would plainly be eminently suitable. I have accordingly established with Sir Hector that, if he were to be invited to serve in this way, he would be very pleased to do so and, if you agree, perhaps you would be kind enough to make this recommendation to the Archbishop. I understand that the next meeting of the Advisory Panel is arranged for April, and that they would much like to be in a position to invite Sir Hector on that occasion; it would therefore be helpful to those concerned if you were able to put this to the Archbishop in the course of the next few days.

Yours ever

London

TO: ALL CHURCH COMMISSIONERS

CHURCH COMMISSIONERS

MEMBERSHIP OF THE BOARD OF GOVERNORS AND COMMITTEES

AS AT 1 APRIL 1983

The recent elections of Commissioners by the General Synod will result in certain changes in the membership of the Commissioners from 1 April 1983. This in turn will necessitate certain changes in the membership of the Board of Governors and Committees from that date.

At its meeting on 23 March, the Board of Governors considered what appointments it would wish to make in respect of these changes. Accordingly, the revised membership of the Commissioners' Board and Committees is set out in the attached lists.


Secretary

1 Millbank
London SW1P 3JZ
25 March 1983

MEMBERSHIP OF THE BOARD OF GOVERNORS AS AT 1 APRIL 1983

(new appointments denoted by a broken line)

Ex-officio	(Archbishop of Canterbury
	(Archbishop of York
	(Sir Douglas Lovelock
	(Sir William van Straubenzee
	(Mrs B E Haworth
6 diocesan bishops	(Bishop of Carlisle
	(Bishop of Exeter
	(Bishop of London
	(Bishop of Rochester
	(Bishop of St Edmundsbury & Ipswich
	(Bishop of Southwell
2 deans or provosts	(Dean of St Paul's
	(Dean of Windsor
6 other clerks	(Archdeacon of Cheltenham
	(<u>Dean of Lincoln</u>
	(<u>Canon G B Austin</u>
	(Canon H B Marlow
	(<u>The Rev J C Duxbury</u>
	(Lord Sandford
8 layman - of whom 6 shall be chosen from those appointed by the Synod	(Mr G A Charrington
	(Mr O W H Clark
	(Mrs A J Dann
	(<u>The Hon Jill Ganzoni</u>
	(Mr H Gracey
	(Sir John Herbecq
	(<u>Lord Remnant</u>
	(Mr J F M Smallwood
Up to 3 co-opted Commissioners	(THREE VACANCIES

MEMBERSHIP OF COMMITTEES AS AT 1 APRIL 1983

(* = Member of the Board of Governors)

(new appointments denoted by a broken line)

STATUTORY COMMITTEES

	<u>Members</u>	<u>Statutory Composition</u>
<u>General</u>	*Sir Douglas Lovelock (Chairman))	
<u>Purposes</u>	*Sir William van Straubenzee)	3 Church Estates
<u>Committee</u>	*Mrs B E Haworth)	Commissioners
	*Bishop of London) At least 2)	
	*Bishop of Rochester) Diocesan Bishops)	
	*Dean of St Paul's) At least 3)	
	*Canon G B Austin) other clergy)	
	*The Rev J C Duxbury)	Not less than 8 nor
	*Mr H Gracey) At least 3)	more than 10 other
	*Sir John Herbecq) other laymen)	Commissioners
	*Mr J F M Smallwood)	
<u>Assets</u>	*Sir Douglas Lovelock (Chairman)	First Church Estates Commissioner
<u>Committee</u>	*Dean of Windsor	1 clerical Commissioner
	Mr B C Briant)	Not less than 3, nor more than
	Mr W B Howard)	5 lay Commissioners, appointed
	*Lord Remnant)	to the Committee by the
	Sir Marcus Worsley)	Archbishop of Canterbury
	*Canon H B Marlow	1 clerical alternate

COMMITTEES OF THE BOARD

Houses Committee

*Mrs B E Haworth (Chairman)
*Bishop of Carlisle
Bishop of Norwich
Provost of Blackburn
The Rev M J Saward
The Rev J A Stanley
Lord Bishopston
Mrs W M Calvert
*Mr G A Charrington
Mrs P Granger

Pastoral Committee

*Mrs B E Haworth (Chairman)
*Bishop of Exeter
Bishop of Sheffield
The Dean of Chester
Canon A D Chesters
The Rev D M Sharp
*Mrs A J Dann
*The Hon Jill Ganzoni
Mr P A Lovegrove

Redundant Churches Committee

*Lord Sandford (Chairman)
*Bishop of St Edmundsbury & Ipswich
*Dean of Lincoln
The Ven M R W Brown#
Canon W J Montague#
The Rev M F Leigh
The Rev A H M Turner
Miss S M Gray#
Mr P R King#
Prof J F Pickering

Commissioners' representatives
on Joint Liaison Committee

*Sir Douglas Lovelock (Chairman)
*Sir William van Straubenzee
*Mrs B E Haworth
*Canon G B Austin

= non-Commissioners

APPOINTMENTS IN CONFIDENCE

16/1/84

1. MR. PIRIE *AS 28/3*
2. CHANCELLOR OF THE EXCHEQUER

FROM: A C PIRIE
Date: 28 March 1983

cc Sir D Wass
Mr Gilmore
Mr Monck
Mr Saunders

2

CHURCH COMMISSIONERS STOCK EXCHANGE ADVISORY PANEL

There is a vacancy on this Panel caused by the retirement of Sir Francis Sandilands. The Panel is made up of five members who meet twice a year to advise the Church Commissioners on investment matters. The normal procedure for filling a vacancy is for the Chancellor to recommend a candidate to the Archbishop of Canterbury on the advice of the Governor of the Bank of England.

In his letter of 21 March the Governor supports a suggestion by Sir Douglas Lovelock that Sir Hector Laing be appointed. The invariable tradition has been to rely on the Bank of England for advice on the suitability of the man nominated and we see no reason to demur on this occasion.

! Sir Hector used to be a director of Allied Breweries which might possibly have been seen as undesirable by some sections of the Church. He stood down as a director some months ago however and the Bank are confident that his candidature is in no way affected by his previous position. Biographical details on Sir Hector are attached.

We recommend that the Chancellor write to the Archbishop of Canterbury and to the Governor in terms of the attached drafts.

R. Watts

R J T WATTS

M. Lynn 29/3
2 letters. J.M.

DRAFT LETTER TO:

The Most Rev. His Grace The Lord Archbishop of Canterbury
Lambeth Palace

CHURCH COMMISSIONERS STOCK EXCHANGE ADVISORY PANEL

I understand that following the retirement of Sir Francis Sandilands, ^{on} ~~from~~ the Church Commissioners Stock Exchange ^{Advisory Panel} ~~Advisory Panel~~ there is now a vacancy to be filled.

I have received ~~the~~ ^{from} advice ~~of~~ the Governor of the Bank of England, and would like to recommend to you Sir Hector Laing, Chairman of United Biscuits (Holdings) Ltd. I know that Sir Hector would be willing to serve.

GEOFFREY HOWE

M. type
29/3

DRAFT LETTER TO:

The Rt Hon the Lord
Sir Gordon Richardson *MBE*
Governor
Bank of England
Threadneedle Street
LONDON
EC2R 8AH

L.C.

CHURCH COMMISSIONERS STOCK EXCHANGE ADVISORY PANEL

reputing, and
Thank you for your letter of 21 March *supporting,*
Douglas Lovelock's suggestion that Sir Hector Laing should
be appointed to ^{*the*} ~~this panel~~ to fill the vacancy created
by the retirement of Sir Francis Sandilands. I ^{*was*} ~~am~~ grateful
for your advice, *and*

It have written recommending Sir Hector Laing's appointment.
to the Archbishop of Canterbury

GEOFFREY HOWE

Who's Who. 1983

LAING, Sir Hector, Kt 1978; Chairman, United Biscuits (Holdings) plc, 1972 (Director, 1953; Managing Director, 1964); Director, Court of the Bank of England; b 12 May 1923; s of Hector Laing and Margaret Norris Grant; m 1950, Marian Clare, d of Maj.-Gen. Sir John Laurie, Bt, gv; three s. Educ. Loretto Sch., Musselborough, Scotland; Jesus Coll., Cambridge. Served W in Scots Guards, 1942-47 (American Bronze Star, despatches, 1944); final rank, Captain. McVitie & Price: Dir, 1947; Chm., 1963. Mem. Bd. Royal Insurance Co., 1970-78; Dir. Allied-Lyons, 1979-82. Chm., Food and Drink Industries Council, 1977-79. Mem. Council, Wycombe Abbey Sch., 1981-82. Businessman of the Year Award, 1979; National Free Enterprise Award, 1980. Recreations

gardening, walking, flying. Address: High Meadows, Windsor Road, Gerrards Cross, Bucks. T: Gerrards Cross 82437. Club: White's.



cc Sir D. Wass
Mr Gilmore
Mr Monk
Mr Pirie
Mr Saunders

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

The Most Reverend His Grace
The Lord Archbishop of Canterbury
Lambeth Palace

29 March 1983

Dear Bob

CHURCH COMMISSIONERS STOCK EXCHANGE ADVISORY PANEL

I understand that there is now a vacancy to be filled on the Church Commissioners Stock Exchange Advisory Panel following the retirement of Sir Francis Sandilands.

I have received advice from the Governor of the Bank of England, and would like to recommend to you Sir Hector Laing, Chairman of United Biscuits (Holdings) Ltd. I know that Sir Hector would be willing to serve.

[Handwritten signature]

GEOFFREY HOWE



CC Sir D. Wass
Mr Gilmore
Mr Mouch
Mr Pirie
Mr Saunders
(PWP)

Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

29 March 1983

The Rt Hon the Lord Richardson MBE
Governor
Bank of England
Threadneedle Street
LONDON
EC2R 8AH

Dear Gordon

Thank you for your letter of 21 March reporting, and supporting, Douglas Lovelock's suggestion that Sir Hector Laing should be appointed to the Church Commissioners Stock Exchange Advisory Panel to fill the vacancy created by the retirement of Sir Francis Sandilands. I was grateful for your advice, and have written to the Archbishop of Canterbury recommending Sir Hector Laing's appointment.

G
Howe

GEOFFREY HOWE

Lambeth Palace, SE1 7JU.

(prop)

EXCHEQUER	
31 MAR 1983	
✓	Mr Pirie.
COPIES	Mr Middleton.
10	Mr Gilmore.
	Mr Monch

30th March, 1983.

My dear Geoffrey

Thank you for your letter of the 29th March.

I am delighted to have your recommendation about Hector Laing and am writing to him to convey my formal invitation to join the Church Commissioners' Stock Exchange Advisory Panel.

Happy Easter



The Rt. Hon. Sir Geoffrey Howe, Q.C., M.P.,
Chancellor of the Exchequer,
Treasury Chambers,
Parliament Street,
LONDON,
SW1P 3AG

EXCHEQUER	
25 APR 1983	
Mr Prie.	
Mr Middleton.	
Mr Gilmore	
Mr Monck	

Lambeth Palace, SE1 7JU.

22nd April, 1983.

^{26/4} 1. Pl. copy also to Ps/Guestow, Bank of England.

2. Then pwp. *Jll* 25/4.

Dear Sir Geoffrey,

Church Commissioners' Stock Exchange
Advisory Panel

I am writing in the absence of the Archbishop, who is in New Zealand, to let you know that Sir Hector Laing has accepted the Archbishop's invitation to become a member of the above Panel.

Yours sincerely,

Michael Kinchin Smith
(Michael Kinchin Smith)
Lay Assistant to the Archbishop

The Rt. Hon. Sir Geoffrey Howe, Q.C., M.P.,
Chancellor of the Exchequer,
Treasury Chambers,
Parliament Street,
LONDON,
SW1P 3AG

10815

Judith, papers with you. Marc 6/5

CONFIDENTIAL
APPOINTMENTS IN CONFIDENCE

FROM: C J CAREY
DATE: 5 May 1983

- 1. ~~MR UNWIN~~
- 2. CHANCELLOR OF THE EXCHEQUER

- cc MST (C)
- Mr Middleton
- Mr Littler
- Mr Byatt (O/R)
- Mr Odling-Smee
- Mr Hawtin

Mr Unwin

REVIEW OF ECGD'S FUTURE STATUS

↓

I attach a self-explanatory draft reply to Mr Rees' letter of 4 May.

2. Word reached us last week that Trade Ministers' minds were moving towards a Committee comprised entirely of city and industrial interests. A badly chosen Committee could do positive harm in this field, especially to the Treasury. I hope therefore the Chancellor will agree to register his concern without delay.

3. I had some discussion of the matter with Mr Byatt before he went on leave, and the names of the three economists in the attached draft are his suggestion. Mr Stephens name would have the support of myself, Mr Hawtin and virtually anyone in the Treasury who has ever had official dealings with ECGD.

CJC

(C J CAREY)

P.S. Neither I nor Mr Hawtin have any knowledge of Sir Peter Matthews, but I have assumed we would not wish to object to him as Chairman. It would clearly be difficult to do so at this stage.

I agree, but have added a specific reference to Mervyn Wilcox, a former Chairman of the Export Credits Advisory Committee & my fellow Director of the E.I.B.

6/5

CONFIDENTIAL
APPOINTMENTS IN CONFIDENCE

M. Lyons
✓ 4/5

~~DRAFT~~ LETTER FROM THE CHANCELLOR OF THE EXCHEQUER
Peter Raes Esq., Q.C. M.P.
TO THE MINISTER FOR TRADE

REVIEW OF ECGD'S FUTURE STATUS

Thank you for your letter of 4 May.

2. My reasons for suggesting that the Committee would benefit from knowledge of the government aspects of export credit went rather wider than the need to guide them "through the Whitehall jungle". The proportion of UK exports which carry ECGD cover is about a third, and the subsidy cost is concentrated on a much smaller proportion - about 5%. I think it will be important, if the Committee's recommendations are to carry credibility, that it should include at least one member of standing and experience with the ability to assess the impact of ECGD's operations on industry and the economy as a whole. From this point of view I am not sure that the balance of the names you mention is quite right.

3. I can see the difficulty of finding suitable individuals with experience of this area of government. One name you might like to consider is Malcolm Stephens, a former Under Secretary of ECGD now with Barclays. He is a subordinate of Peter Leslie, but would have more relevant experience to contribute.



Handwritten text, possibly a list or a set of instructions, located in the upper middle section of the page.

Main body of handwritten text, consisting of several paragraphs or lines of writing.

Handwritten text at the bottom of the page, possibly a conclusion or a signature area.

CONFIDENTIAL
APPOINTMENTS IN CONFIDENCE

4. Another possibility you might care to consider would be to have an economist with suitable experience on the Committee. Names which occur to me are Harold Rose (Economic Adviser to Barclays Bank), Alan Peacock (Principal of University College, Buckingham) and Alan Prest (Professor of Public Finance, LSE).

5. I am content with the choice of Sir Peter Matthews as Chairman, and provided we can solve the problem of balance would be content to leave the choice of the other members to you from among the sort of names you mention,

though I would have ^{considerable} ~~some~~ doubts about Kindersley, and I assume that ~~there would be no question of having him~~

^{Given his Sun Alliance connections,} ~~I am copying this~~ to Sir Robert Armstrong.

6. ^{A copy of his letter goes} ~~I am copying this~~ to Sir Robert Armstrong.

I should be happy, for example, with Malcolm Wilcox, if he had the time,

There would be no question of going for him if you also went for Addison - who would be very good. So would Malcolm Wilcox, if he had the time.

(GEOFFREY HOWE)

18/162

From the Secretary

CHURCH COMMISSIONERS,
1 MILLBANK,
LONDON, SW1P 3JZ.

Telephone : 01-222 7010

Reply PSC.
M.

FK 20/6
Miss Kelley - may
we have draft reply
please. P 20/6.

14 June 1983

The Rt Hon the Chancellor of the Exchequer
H M Treasury
Parliament Street
LONDON SW1P 3AG

Mr Faulkner

Dear Chancellor,

I should like, if I may, to congratulate you on taking up your distinguished office. As you may know, as Chancellor of the Exchequer you have also become a Church Commissioner, so I write now formally to welcome you in that appointment.

Should you be approached about the Commissioners' business, or should you wish to raise any points about their affairs, I hope that you will feel free to let us know here at Millbank and we will do what we can to help or advise you.

In the hope that they will provide useful background information, I am enclosing:-

1. The Commissioners' latest Report as Central Stipends Authority, together with one of our occasional leaflets on stipends.
2. The Guide to the Commissioners' organisation and work. Although it was published some years ago, this latest edition is still basically correct. The most significant changes are that a Bishops Department now deals with the Commissioners' responsibilities in respect of all Bishops - stipends, housing, expenses etc - and the Architects and Surveyors Departments no longer exist as separate entities. In addition, flexible working hours have been introduced for the staff.
3. A booklet listing the Commissioners, their senior officers and agents etc as at February 1983.
4. A statement on the Commissioners' residential estates.
5. The popular leaflet based on the recent joint Report by the Commissioners and the Central Board of Finance entitled "A Responding Church".

I am sorry that you will be unable to attend our Annual General Meeting on 21 June but I do of course understand the reasons for this. However, in accordance with constitutional procedure, an Agenda and papers for that meeting has been sent to you and includes a copy of our Annual Report and Accounts for 1982. You may like to have advance notice that our Annual General Meeting in 1984 will be held at Lambeth Palace on Tuesday 26 June. It will commence at 11 am and will be followed by lunch.

May I wish you every success in your new appointment.

Yours sincerely
Kenneth Lamb.

KENNETH LAMB

ENC

CHANCELLOR OF THE EXCHEQUER



CABINET OFFICE

*D. Howell
is the better one. XA*

*Discussed with
Mr. Middleton: 29/6.
Conferred with
his office but
he will submit
a draft minute.
JDM.*

With the compliments of
Sir Robert Armstrong GCB, CVO
*Secretary of the Cabinet
and Permanent Secretary to the
Management and Personnel Office*

DIXCHEQUER	
REC	23 JUN 1983
ACTION	Mr Middleham 23/6
COPIES TO	Mr LATTES
	Jell. 23/6

Ref. A083/1791

PRIME MINISTER

Secretary General, Organisation for Economic Co-operation and Development

The Secretary General of the Organisation for Economic Co-operation and Development (OECD), Mr Emile van Lennep, is due to retire in September 1984. If we are to attempt to secure this post for the United Kingdom we need to start thinking now about who we might field. Although we are also likely to be putting forward a strong candidate to succeed Dr Luns as Secretary General to NATO at about the same time and, more immediately, putting forward candidates for one of two other senior OECD appointments (about which I am minuting separately), I do not think that this need inhibit us from trying for the van Lennep post as well, provided that we have a strong enough candidate: the present Secretaries Generals of both OECD and NATO are Dutch.

2. I have discussed this with my colleagues who are most closely concerned, and we are all of the opinion that we should maximise our chances of securing the OECD post if we could propose a senior former politician (although van Lennep himself was a former Head of the Dutch Treasury). *Wass*

3. Following the Election a number of potential British candidates come to mind. Denis Healey, now that he is out of the running for the Labour leadership, might be interested in the post and would do it very well. Moreover he has the international standing and background to match Manfred Lahnstein and Horst Schulmann (both of whom are possible German candidates and who outclass most others). Mr Joel Barnett would also be well qualified, although he is less well known internationally and may already have laid other plans when he was unable to find a Parliamentary seat. *Swilly had fully his sense (had he more in mind at NATO) And he would be a good fit.*

4. Mr Bruce-Gardyne is a possible candidate on the Conservative side, although he would not perhaps be particularly suited to the *of course the hearing problem would be a real*

1. Introduction
2. Methodology
3. Results
4. Discussion
5. Conclusion

6

Figure 1: A line graph showing the relationship between X and Y. The X-axis represents 'Time' and the Y-axis represents 'Distance'. The graph shows a linear increase in distance over time, starting from the origin (0,0) and reaching a point of approximately (10, 100). The line is labeled 'Constant Velocity'.

management of an international organisation such as OECD. Another possible Conservative former Minister would be Mr Howell.

5. This list is by no means exhaustive and you or the Chancellor of the Exchequer or Foreign and Commonwealth Secretary (to whom I am sending copies of this minute) may well have other names to suggest. We need to decide now whether we wish to make a strong effort to secure this post. If so, it would be helpful to know soon who the Government would be prepared to put forward, so that they can be sounded and we can begin to work for their selection.

ROBERT ARMSTRONG

ROBERT ARMSTRONG

23 June 1983

- 4 JUL 1983

Ann Kerr ✓



1. Mr Middleton,
again.

2. Mr. Nelson
J.D.L.
P/W
P/vii

CABINET OFFICE

1. Mr Middleton.

- for advice, please

2. cc. Mr. Hittler

With the compliments of Sir T. Buxton

Sir Robert Armstrong GCB, CVO

Secretary of the Cabinet

and Permanent Secretary to the

Management and Personnel Office

J.D.L.

28/vi.

Done

I cd not support
any of SARC's
candidates. What
Mr John
Armstrong?
M.

70 Whitehall, London SW1A 2AS

Telephone: 01-233 8319

VI
Ref. A083/1824

MR BUTLER

24/6/83
-P
Senior OECD Appointments

Two senior appointments in the Secretariat of the Organisation for Economic Cooperation and Development (OECD), those of the Head of the Economic and Statistics Department (ESD) and the Special Counsellor on Economic Matters, will shortly become vacant.

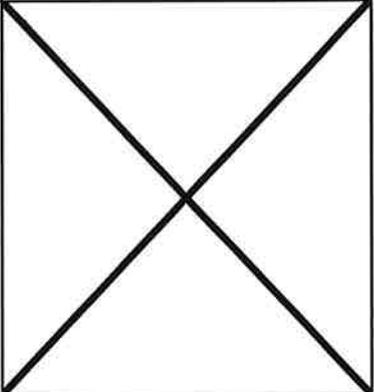
2. The ESD is the largest and most central of OECD's ten operational directorates, dealing with general and international macro-economic policy and analysis, studies of member countries' economies, and economic forecasting. The Head of the Department is responsible directly to the Secretary General.

3. The Special Counsellor on Economic Matters is one of three special counsellors who act principally as personal advisers to the Secretary General and his two deputies. The Economic Counsellor is the most significant of these three appointments, especially as the present (British) incumbent has had a very close relationship with the current Secretary General, Mr Emile van Lennep. However, Mr van Lennep is due to retire next year (I am minuting the Prime Minister separately about the prospects for the succession for this post) and it is by no means certain that the Economic Counsellor will continue to exercise such influence (indeed, it is possible that the post itself may be altered or even abolished).

4. It would be useful to get a British candidate into either of these posts; but, as there is no prospect of securing both, we should go for the Head of the ESD, although should our candidates be unsuccessful for this we could hope (and indeed suggest) that they should be considered for the Counsellor post if it is to be continued.

5. Candidates for the ESD post must clearly be good economists, but they should also have some policy experience - a pure academic is very unlikely to be successful - and the right sort of personal qualities for a senior international appointment. In looking for

A The National Archives

DEPARTMENT/SERIES T639 PIECE/ITEM 233 (one piece/item number)	Date and sign
Extract details: Ref: A083 / 1824 Page 2	
CLOSED UNDER FOI EXEMPTION S.40(C2)	<i>EBaker</i> 9 / 2 / 16
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Use black or blue pen to complete form.

Use the card for one piece or for each extract removed from a different place within a piece.

Enter the department and series,
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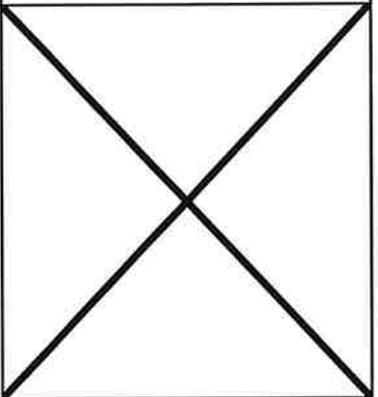
Enter the piece and item references, .
eg. 28, 1079, 84/1, 107/3

Enter extract details if it is an extract rather than a whole piece.
This should be an indication of what the extract is,
eg. Folio 28, Indictment 840079, E107, Letter dated 22/11/1995.
Do not enter details of why the extract is sensitive.

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Sign and date next to the reason why the record is not available to the public ie. Closed under FOI exemption; Retained under section 3(4) of the Public Records Act 1958; Temporarily retained; Missing at transfer or Number not used.

A The National Archives

DEPARTMENT/SERIES <u>7639</u> PIECE/ITEM <u>233</u> (one piece/item number)	Date and sign
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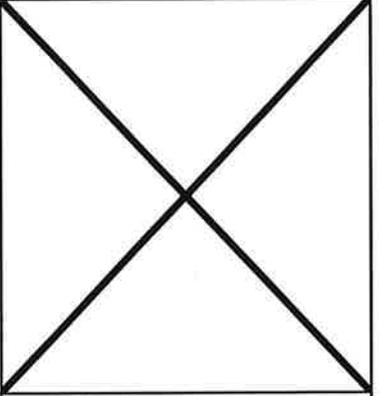
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eg. HO 405, J 82.

Enter the piece and item references, .
eg. 28, 1079, 84/1, 107/3

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Extract details: Ref A08 311824 Annex 1, page 1	
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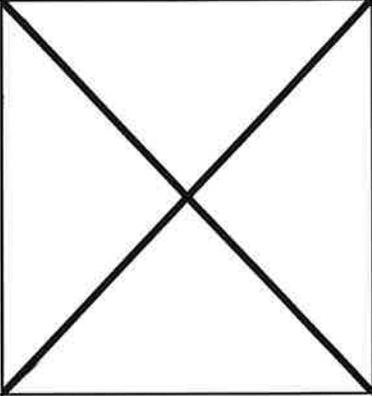
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DEPARTMENT/SERIES T639 PIECE/ITEM 233 (one piece/item number)	Date and sign
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Instructions for completion of Dummy Card

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10 DOWNING STREET

27/2/83

Mr MIDDLETON
Mr LITTLER

PWJ

From the Private Secretary

SIR ROBERT ARMSTRONG

Secretary General, Organisation for Economic Co-operation
and Development

The Prime Minister has seen your minute of 23 June about a successor to Mr. Emile van Lennep, who is due to retire in September, 1984.

The Prime Minister has commented that, in her view, Mr. Healey is too old for the post. She also doubts whether it would suit Mr. Bruce-Gardyne. She has asked whether Sir Alan Walters would be a possibility. You may care to let the Prime Minister have your views on this idea, together with any further suggestions which the Chancellor of the Exchequer or the Foreign and Commonwealth Secretary may wish to make.

I am copying this minute to Mr. Kerr (H.M. Treasury) and Mr. Fall (Foreign and Commonwealth Office).

PBM / Fri 2/5

ALCOLE

27 June, 1983

T, papers with you



10 DOWNING STREET

RECEIVED
 29 JUN 1983
 Mr Middleton
 Mr Liller
 S.R.T. Burns
pmj

From the Principal Private Secretary

SIR ROBERT ARMSTRONG

SENIOR OECD APPOINTMENTS

✓ The Prime Minister has seen your minute of 24 June. She would not wish to propose Mr. Posner, Mr. Cole or Professor Artis for the post of Head of the Economic and Statistics Department. She would envisage putting forward Professor Henderson, but would like consideration also to be given to Professor Patrick Minford and Dr. Alan Budd.

not keen. I am copying this minute to the recipients of yours.

*OK: Foy
 Humphrey
 Lamb
 Gm. papers
 & let me
 Proposals
 M.*

E. E. R. BUTLER

28 June 1983

From: M J C FAULKNER

Date: 28 JUNE 1983

➤ CHANCELLOR OF THE EXCHEQUER

cc: Miss Kelley
Mr Smith

Mattech.
du
CHURCH COMMISSIONERS: EX OFFICIO APPOINTMENT

The letter of 14 June from the Hon Kenneth Lamb, Secretary to the Church Commissioners, advises you formally of your appointment as a Church Commissioner. The post is ex-officio. Other ex-officio appointees within the Government are the Lord Chancellor, the First Lord, the Lord President, the Home Secretary, the Attorney-General and the Solicitor-General.

2. Recent holders of your office have not found it necessary to take a close interest in the Commissioners' affairs.
3. You may care to reply to the Secretary on the lines of the attached draft.

MJ

M J C Faulkner

~~DRAFT~~ LETTER:

Please type.

FROM: CHANCELLOR
K Lamb, Esq.
TO: The Secretary
Church Commissioners
1 Millbank
LONDON SW1P 3JZ

Thank you for your kind letter of 14 June. I was grateful for the background information, which I will study with interest. I shall be glad too to take up your offer of further advice about the Commissioners' business should the need arise.

[NIGEL LAWSON]

(pl)



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

1 July 1983

K Lamb Esq
The Secretary
Church Commissioners
1 Millbank
LONDON
SW1P 3JZ

K Lamb

Thank you for your kind letter of 14 June.
I was grateful for the background information,
which I will study with interest. I shall
be glad too to take up your offer of further
advice about the Commissioners' business
should the need arise.

*Yours sincerely
Nigel Lawson*

NIGEL LAWSON

Ref. A083/1964

MR COLES

EXCHEQUER	
RECEIVED	-6 JUL 1983 6/7
Mr Middleton	
Mr Little	
COPIES	10

Secretary-General, Organisation for Economic Co-operation
and Development

Thank you for your minute of 27 June about the succession to Mr Emile van Lennep.

2. Since the minute which I sent you on 23 June I have received --- a job specification, a copy of which I attach.
3. Against this background I have discussed with the Treasury and the Foreign and Commonwealth Office the possibility of putting forward Sir Alan Walters. He would obviously meet some of the items in the specification very well, but others perhaps less well. We doubt whether his would be a name around which we should be likely to be able to gather support in other countries, given the qualifications and standing of some of those who are likely to be candidates from other countries (in particular, the two German candidates referred to in paragraph 3 of my earlier minute).
4. On the other hand we think that Sir Kenneth Couzens could be a very strong candidate, if we were to put his name forward. He meets many of the requirements in the specification. He has good French; he enjoys robust good health; and of course he is very well known and respected in international financial and banking circles.
5. Sir Donald Maitland might be another possibility; but he is 3 years older than Sir Kenneth Couzens and less obviously well attuned to the international financial and economic scene.
6. If the Prime Minister would be prepared to favour the candidature of Sir Kenneth Couzens, I should like to see whether he himself would be interested.
7. I am sending copies of this minute to the Private Secretaries to the Foreign and Commonwealth Secretary and the Chancellor of the Exchequer.

ROBERT ARMSTRONG

ROBERT ARMSTRONG

5 July 1983.

CONFIDENTIAL

ANNEX I

OECD SECRETARY-GENERAL: SOME DESIRABLE QUALITIES

- (a) Age: minimum contract five years with prospect of a further five years. Normally no reappointment from age 65.
So - age 50-55?
- (b) Health: long hours, heavy work schedule, a lot of over-seas travel and high-level interviews. So - robust good health.
- (c) Languages: preferably native English or French speaker (English preferable). If not, must be fluent in at least one. Serious disadvantage not to be able to read fluently and to understand second language.
- (d) Economist: difficult to lead much of the work without formal qualifications and subsequent policy experience.
- (e) Policy Orientation (not academic), ideas man.
- (f) Previous Experience of OECD (committees or Secretariat) or of, eg, IMF, GATT, or international banking. Perhaps better if not recently with Commission, but national representative experience in Brussels useful.
- (g) Established contacts with some senior officials and ministers at least in main capitals.
- (h) Good presentational and chairmanship skills; experience of public speaking.
- (i) Management/administration interest and ability helpful.
- (j) Politician or official? Political judgement and ability to find a point of concensus among powerful and weak but troublesome member countries is important.



EXCHEQUER	
AC	-7/30/1983
ACTION	Mr Middleton
	Mr Litter
10	

10 DOWNING STREET

From the Private Secretary

SIR ROBERT ARMSTRONG

Prop

Secretary-General, Organisation for Economic
Co-operation and Development

Thank you for your minute of 5 July. The Prime Minister discussed with the Foreign and Commonwealth Secretary this afternoon the question of a British candidate who might replace Mr. Emile van Lennep.

At the end of the discussion the Prime Minister concluded that if Sir Kenneth Couzens would be interested in this post we should do our best to secure his appointment to it.

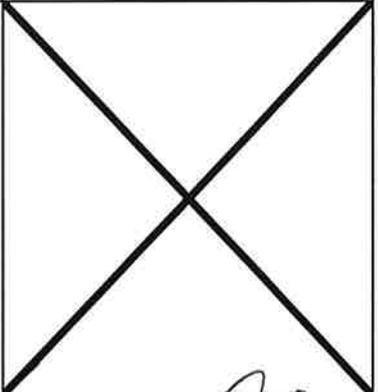
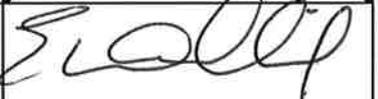
I am copying this minute to Mr. Fall (Foreign and Commonwealth Office) and Mr. Kerr (H.M. Treasury).

John
I've passed the message
on to John Wilkins
mom.
11/8

A. J. COLES

6 July 1983

Sir KC
let Brown do
ps very well
of other would
Mr I had with
links
Mr

DEPARTMENT/SERIES T639 PIECE/ITEM 233 (one piece/item number)	Date and sign
Extract details: EXTRACT DATED 12/7/83 PAGE 1	
CLOSED UNDER FOI EXEMPTION s27(1), s40(2)	 7/6/16
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	
TEMPORARILY RETAINED	
MISSING AT TRANSFER	
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DEPARTMENT/SERIES <p style="text-align: center;">..... T 639</p> PIECE/ITEM 233 (one piece/item number)	Date and sign
Extract details: <p style="text-align: center;">EXTRACT DATED 12/7/83</p> <p style="text-align: center;">PAGE 2</p>	
CLOSED UNDER FOI EXEMPTION 527(1), 340(2)	<p style="font-size: 1.5em;">E. J. [Signature]</p> <p style="font-size: 1.5em;">7/6/16</p>
RETAINED UNDER SECTION 3(4) OF THE PUBLIC RECORDS ACT 1958	
TEMPORARILY RETAINED	
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SECRET



Board Room
H M Customs and Excise
King's Beam House
Mark Lane London EC3R 7HE

Miss J C Simpson
Private Secretary to the
Chancellor of the Exchequer
HM Treasury
Parliament Street
LONDON
SW1P 3AG

(pmp)

15 July 1983

Dear Judith

MR MOHAMMED MAHDI AL-TAJIR

You copied to me the FCO's request of 12 July for our comments on the allegations against Mr Mohammed Mahdi Al-Tajir.

We know nothing within Customs and Excise which could be construed as an impediment to the reappointment of Mr Al-Tajir as UAE Ambassador in London.

Yours ever

A handwritten signature in blue ink, appearing to be 'J R Lester'.

J R LESTER
PRIVATE SECRETARY

SECRET

SECRET

FROM: MISS M E CUND
DATE: 15 July 1983

plp

MISS SIMPSON

cc Mr Carey
Mr Beastall

REQUEST FOR REAPPOINTMENT OF UAE AMBASSADOR TO LONDON

As you requested, this minute is to confirm that AEF has neither information nor views on the desirability of re-appointing Mr Mohammed Mahdi Al-Tajir as UAE Ambassador to London.

Margaret Cund

MISS M E CUND

SECRET



INLAND REVENUE
POLICY DIVISION
SOMERSET HOUSE

PS36/191/83

From: D SINCLAIR

Date: 15 July 1983

1. Mr Taylor Thompson *18/vi*
2. PS/Chancellor

SAYED MOHAMED MAHDI AL-TAJIR

1. You have a copy of PS/Foreign Secretary's letter of 12 July to the PPS/Home Secretary about the re-appointment of Al-Tajir as UAE Ambassador in London. There are two points on which you might like to comment; first, whether any investigation is required into the allegations of tax evasion and, secondly, whether the re-appointment should be opposed on fiscal grounds.

Tax evasion

2. We were not apparently aware of the commission payments made to Al-Tajir until recently and so we have never asked him to complete a tax return. In the light of the recent Observer articles, his case was reviewed but it is thought that there is insufficient reason to take special action. This is because there seems little prospect of establishing that any tax has been lost to the Revenue. The three main reasons that have led us to this conclusion can be briefly outlined.

3. First, the major amounts reported are now out of date for assessment in the normal way. Secondly, it is not clear that we can show that the receipts attract income tax at all because it is difficult to establish a "source" for casual payments. Thirdly, if the source is abroad, Al-Tajir will be exempted from UK tax on the receipts because of his diplomatic privileges. Even if he were not a diplomat, he would only be liable, on the remittance basis for persons of foreign domicile, if the monies were received in the UK during the year in which the source existed. Thus it can be seen that there are considerable difficulties in assessing a foreigner to ~~ex-gratia~~ payments, and here we would have the added difficulties of exemption on foreign income and a lack of legal evidence.

4. Were there to be some substance in the allegation of trading in the UK, in drugs or whatever, the liability to tax would be clear and we would certainly wish to review the case again. But there would be no point in trying to establish liability on the basis of mere malicious comment.

5. We presume that Al-Tajir is well advised and will have arranged his business to take advantage of the clear opportunities to stay outside the UK tax net. Nevertheless, it may be appropriate to

RESTRICTED

check the position with him once the dust has settled on his re-appointment.

6. The FCO have already canvassed our view at official level and are aware of the technical reasons why tax may not be due.

Re-appointment

7. Diplomatic privileges extend an exemption from income tax, except where the income is from a private UK source, and provide an immunity from civil and administrative jurisdiction. Actions can be taken in respect of private commercial activity but it is unlikely that they can be enforced except by requiring the withdrawal of the offending diplomat.

This immunity makes it impractical for the Revenue to check that a diplomat is complying with his obligation to make a return if he is chargeable, (in accordance with an FO/CO Memorandum to missions in London of September 1966).

8. It is most unlikely that diplomats who are well advised will so arrange their affairs that they become liable to UK tax in respect of any profits from business activities. The possibility of liability in the odd case which might go undetected is no doubt an acceptable price to pay where the appointment of a businessman is in the wider national interest.

9. Accordingly we recommend that, if Customs and Excise do not object, you should write to the PS/Foreign Secretary to say that we do not object to the re-appointment of Al-Tajir. This is of course on the understanding that the drugs allegations are not proven. A suggested form of reply is attached, to which Customs may wish to add.

10. There is scope for tightening up our procedures and I shall be writing separately to the FCO Protocol and Conference Department to suggest that they notify us whenever a businessman is accepted and it is decided to waive the restriction on professional or commercial activities.

Parliamentary interest

11. Treasury Ministers will not be open to questions about Al-Tajir specifically because of confidentiality but they are exposed to questions about the general treatment of diplomats, eg how many make returns, which might be embarrassing. However, if we move quickly to adopt the arrangements outlined in paragraph 10 above, we shall be in a better position.



D SINCLAIR
Inspector (Principal)

c PS/Customs & Excise
Mr Littler
Mr Carey

Sir Lawrence Airey
Mr Green
Mr Rogers
Mr Taylor Thompson
Mr Pollard
Mr Cayley (o/r)
Mr Sinclair

SECRET



HOME OFFICE
 QUEEN ANNE'S GATE
 LONDON SW1H 9AT

19 July 1983

(pup)

EX-CHEQUER	
19 JUL 1983 ✓	
ACTION	Mr Carly
COPIES TO	Mr Lister
	PS/IR
	PS/CH

Dear Brian,

MR MOHAMMED MAHDI AL-TAJIR

Thank you for your letter of 12 July in which you asked for confirmation that the allegations made in the press against Mr Al-Tajir, whom the United Arab Emirates are seeking to reappoint as Ambassador to London, have been investigated as far as possible. I have also seen John Coles's letter of 15 July.

We understand from the police that in 1974/75 HM Customs and Excise investigated a report that drugs or gold were being smuggled into this country under diplomatic cover, and found that, although there was evidence that another person had committed an offence of this nature, there was none against Mr Al-Tajir. HM Customs and Excise confirmed in January and again this month that they have no current interest in Mr Al-Tajir. The Home Secretary has no information to support a recommendation against Mr Al-Tajir's reappointment.

The recent interest shown by the Observer in Mr Al-Tajir has focused on his tax affairs, and I see that you are in touch with the Chancellor of the Exchequer's office as to whether the Inland Revenue has any information on this aspect.

The police have undertaken no inquiries into Mr Al-Tajir and there is no reason to expect that they will be doing so.

I am copying this letter to John Coles and John Kerr.

Yours sincerely,

Tony Rawsthorne

A R RAWSTHORNE

B J P Fall, Esq

SECRET

SECRET



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

19 July 1983

B J P Fall Esq
Foreign & Commonwealth Office
Downing Street
LONDON SW1

(Handwritten initials)

Dear Sir,

SAYED MOHAMED MAHDI AL-TAJIR:
RE-APPOINTMENT AS UAE AMBASSADOR

You sent us a copy of your letter of 12 July to Tony Rawsthorne about the proposal to re-appoint Mr Al-Tajir as UAE Ambassador. You asked if either the Inland Revenue or Customs and Excise knew of any truth in allegations of illegal imports and tax evasion made against him, which would make his appointment unsuitable.

The Inland Revenue have considered the information given in the Observer articles about allegations that Mr Al-Tajir has evaded tax on commission payments he has received. They feel that it is unlikely that tax was payable, and that in view of the time that has elapsed a full investigation is not warranted. Of course, the tax position will have to be reconsidered if the unreported allegations are substantiated by the Home Office.

Customs and Excise know of nothing which could be construed as an impediment to Mr Al-Tajir's reappointment.

We do not think therefore that, as things now stand, the allegations of illegal imports or tax evasion should be regarded as the material factor in considering whether to recommend agreement.

/The appointment

SECRET

SECRET



The appointment of active businessmen to ambassadorial positions does, of course, cause some complications over tax treatment, and the Inland Revenue will be contacting your Protocol and Conference Department to arrange for a tightening up of routine procedures when restrictions on diplomats' commercial activities are waived.

Yours sincerely,

David Lingen

MISS J C SIMPSON
Private Secretary

SECRET

Ref. A083/2184

MR COLES

✓ *pur*

CHEQUER	
DATE	25 JUL 1983 ✓
ACTION	Mr Middleton
COPIES TO	Mr Little

Secretary-General, Organisation for Economic Co-operation and Development

Following your minute of 6 July, I have asked Sir Kenneth Couzens whether he will be interested in succeeding Mr Emile van Lennep. I explained to him the specification, terms and timing of the appointment; and I said that, if he was interested, the British Government would do their best to secure his appointment.

2. Sir Kenneth Couzens has now let me know that he is very grateful for the chance to be considered for this appointment, that he is interested in it, and would take it up if it were offered to him. He is glad to know that the British Government would do their best to secure his appointment though he would, of course, understand if in due course Ministers decided that they could not press for it if other interests were involved.

3. The way is therefore clear for the Foreign and Commonwealth Office and the Treasury to enter Sir Kenneth Couzens's name in the field and press as appropriate for his appointment.

4. I am sending copies of this minute to Mr Fall (Foreign and Commonwealth Office) and Mr Kerr (Treasury).

ROBERT ARMSTRONG

ROBERT ARMSTRONG

22 July 1983

SECRET



Treasury Chambers, Parliament Street, SW1P 3AG
01-233 3000

27 July 1983

A J Coles Esq
10 Downing Street
LONDON SW1

(Handwritten initials)

Dear John,

MR MOHAMMED MAHDI AL-TAJIR

You asked me if I wished to add anything to, or amend in any way, my letter to Brian Fall of 19 July.

I have consulted Customs and Excise about this, and they inform me that there is no operation on at the moment that is going to involve any Arab diplomats or businessmen. The advice given in my previous letter therefore stands.

Yours sincerely,

J.C.S.

MISS J C SIMPSON
Private Secretary

SECRET

CONFIDENTIAL

APPOINTMENTS IN CONFIDENCE



FROM: J O KERR

DATE: 13 December 1983

MR MIDDLETON

cc Mr Littler

OECD SECRETARY-GENERAL

You will have seen the record of the Chancellor's meeting with Secretary Regan on 8 December.

2. It does not, for obvious reasons, mention a short exchange, as the meeting broke up, about the succession to van Lennep. The Chancellor asked what the US position now was; Regan said that he thought they planned to back a UK candidate; Leland reminded him that the name was Couzens; and Regan perked up, agreeing that Couzens was an excellent candidate, whom the Americans would be happy to back actively at the right time. Perhaps we would tell me when they ought to get into top gear?

3. The Chancellor said that the position still seemed rather foggy. The Germans did not appear to have identified a candidate, but the French seemed very keen on having a politician, rather than an official. And Leland and Regan gloomily pointed out that Pandolfi's name always came up.

A handwritten signature in dark ink, appearing to be 'J O Kerr'.

J O KERR

