

10/17

PART 2

S
3000

CONFIDENTIAL FILING

Prime Minister's meeting with
Baron Thyssen-Bornemisza to discuss the
siting of the Thyssen Collection

ARTS AND
AMENITIES

PT1: February 1988
PT2: June 1988

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
6.6.88							
13.6.88							
20.6.88							
27.6.88							
4.7.88							
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23.12.88							

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10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

1 August 1988

I am writing on the Prime Minister's absence in Australia to thank you for your letter of 27 July concerning the Thyssen collection. I will show your letter to her when she returns, and know that she will be very grateful to you for taking the trouble to write.

P. A. Bearpark

Sir Nicholas Goodison



**THE
STOCK
EXCHANGE**

SIR NICHOLAS GOODISON
CHAIRMAN

LONDON EC2N 1HP
TELEPHONE: 01-588 2355
TELEX: 886557

27th July, 1988

R29/7
pp5

Dear Margaret

In my absence the National Art-Collections Fund Committee sent you a message supporting your efforts to secure the Thyssen collection for Great Britain. I was, as you know, a member of the small advisory committee on this and I thought I would write to say how warmly I too supported the effort providing the terms were acceptable. I thought it was right that the NACF should make its views known in view of the somewhat carping response from certain parts of the museum and art world.

Best wishes.

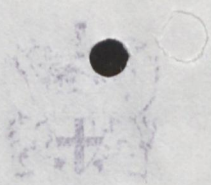
Yours ever
Nicholas

The Rt. Hon. Margaret Thatcher, M.P.,
Prime Minister,
10 Downing Street,
London SW1.

copy to The Rt. Hon. Richard Luce, M.P.

A + A : Thyssen PVZ

THE
STOCK
EXCHANGE



CONFIDENTIAL



2
Prime Minister
(see the expected
response.
W.C.W.

Treasury Chambers, Parliament Street, SW1P 3AG 26.7

The Rt Hon Richard Luce MP
 Minister for the Arts
 Office of Arts and Libraries
 Room 62/2
 Government Offices
 Great George Street
 London
 SW1

25th July 1988

Dear Richard,

THE THYSSEN COLLECTION AND CANARY WHARF

Thank you for copying to me your letter of ~~18~~ ¹⁹ July to Nicholas Ridley.

You say in your letter that the Thyssen negotiations have been "brought to an end". But it is clear, however, from Robin Butler's minute of ~~21~~ July, which I have seen, that there remains a real possibility that we may still acquire the collection. Robin reports Peter Smithers' understanding that negotiations with the Spanish may be quite close to breaking down and that a further approach to us from the trustees may not be long delayed. I think it would be premature to conclude that the prospect has finally disappeared.

But even if there was no prospect whatever of the UK acquiring Thyssen I am afraid I would not be able to accept your proposal. I understand your reluctance to miss the opportunity of an alternative gallery development at Canary Wharf. Cabinet, however, was only prepared to make additional resources available to acquire the Thyssen collection because of the unique opportunity it presented both to enrich the range of Old Master paintings in this country and strengthen the holding of distinguished modern paintings. I do not see how we could regard your new proposal as being in that category. You told the National Portrait Gallery last March that the

CONFIDENTIAL

proposal to acquire the Royal Dental Hospital in Leicester Square was not a sufficiently high priority to justify the £6 million costs. I cannot agree to making additional resources available for that, or any other, proposal, over and above your existing three-year programme.

I am copying this letter to the Prime Minister, and Nicholas Ridley and to Sir Robin Butler.

*Yours Ever,
John Major*

JOHN MAJOR

ARTS + AMENITIES : Thurden PTZ



CONFIDENTIAL

KK



10 DOWNING STREET
LONDON SW1A 2AA

From the Private Secretary

SIR ROBIN BUTLER

THYSSEN COLLECTION

I have shown the Prime Minister your minute of 21 July about your discussions with Mr. Coleridge concerning the draft Parliamentary answer.

The Prime Minister is content with the draft answer attached to your minute.

I am sending a copy of this minute to the Private Secretaries to the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Secretary of State for the Environment, the Attorney General and the Minister for the Arts.

N.L.W.

N. L. WICKS
22 July 1988

CONFIDENTIAL

ECU



Action this day cc BT
GF

Prime Minister

Content with the draft reply and the arrangements generally?

Ref. A088/2244

MR WICKS

Thyssen Collection

N.C.W
21.7

As you will have seen, I wrote to Mr Coleridge in the terms attached to my minute of 18 July, with the Prime Minister's amendments.

2. Mr Coleridge replied agreeing that a Written Answer should be given tomorrow, Friday. However, he suggested some amendments to the draft Answer, of which most were minor and unexceptionable, but one was major. This was that the Trustees wanted to remove the penultimate sentence which recorded their request that, should circumstances change, they would want to have the opportunity of contacting the Government again about a long term location in the United Kingdom. The Trustees felt that this sentence would cause them difficulties with the Spanish Government: that is understandable.

3. However, I have said to Mr Coleridge that, without making it clear that any further approach would have to come from the Trustees, I did not think that British Ministers would be prepared to say that they would look at the matter afresh. Mr Coleridge recognises this, and, subject to the Prime Minister's approval, we have agreed on a final sentence to the Parliamentary Answer, as follows:

"The Government has said that, should circumstances change and the Trustees approach the Government about a long term location in the United Kingdom, we would be ready to look at the matter afresh".

Yes not

TEMPORARILY
RETAINEDS. Gray
30/3/2016THIS IS A COPY. THE ORIGINAL IS
RETAINED UNDER SECTION 3 (4)
OF THE PUBLIC RECORDS ACT

I believe that this protects the Government's position and makes it clear that the Government is not prepared to run after the Trustees.

4. I should therefore be grateful for the Prime Minister's approval to the attached Question and Answer, which will be given tomorrow. Briefing is being arranged for Press Offices.

5. Before the Answer is given, the Secretary of State for the Environment is arranging for Mr Reichman and the Birmingham City Council to be told how matters lie.

6. I have spoken to Sir Peter Smithers and told him what we intend. He has asked me to tell the Prime Minister that he is not despondent about the prospects of the Collection eventually coming here. Indeed, he thinks that the negotiations with the Spanish may be quite close to breaking down and a further approach to us from the Trustees may not be long delayed.

7. You asked for my advice on whether the Prime Minister should write to Baron Thyssen. I recommend that she should not do so at this stage. Baron Thyssen has not replied to her last letter and is not likely to be expecting a further letter from the Prime Minister. The view of both Sir Peter Smithers and Mr Coleridge is that a further letter from the Prime Minister to the Baron is neither necessary nor desirable at this stage.

8. I am copying this minute to the Private Secretaries to the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Secretary of State for the Environment, the Attorney General and the Minister for the Arts.

R.B.

ROBIN BUTLER

21 July 1988

DRAFT WRITTEN QUESTION AND ANSWER

Q. To ask the Minister for the Arts: whether the Government has received a reply to its proposal for the future of the Thyssen-Bornemisza Collection.

A. The Trustees of the Thyssen-Bornemisza Collections Trust have informed the Government that they have decided not to pursue the British proposal at the present time. Baron Thyssen-Bornemisza has entered into preliminary accord with the Spanish Government which is intended to lead to a loan of most of the Collection for display in Madrid for a period of up to 10 years. The Trustees have decided to try to achieve a full agreement with the Spanish Government along those lines. In these circumstances, Her Majesty's Government has withdrawn its proposal. The Government has said that, should circumstances change and the Trustees approach the Government about a long-term location in the United Kingdom, we would be ready to look at the matter afresh.

ACT + AMENITIES: Thussen PT2



CCB/1

From: Paul J.D. Coleridge

Tel: (01) 834 8509
Telex: 913001
Fax: (01) 828 0720

Asphalte House,
Palace Street,
London,
SW1E 5HS

After this day.

Prime Minister.

To see how the Trustees
have suggested the answers
should be changed. Their
deletion of the parultimate

21st June 1988 sentence suggests
we might omit the last
sentence. But since it
Sir Robin Butler KCB CVO,
Cabinet Office,
70, Whitehall,
SW1

represents our
position, I think
it can remain.

N.L.W.
21.7

Dear Sir Robin,

CABINET OFFICE
7844
21 JUL 1988
FILING INSTRUCTION
FILE No.

- cc- Mr Wilding (OAL)
- Mr Jefferson (DOE)
- Ms Case (Tsy)
- Mr Collins (Tsy Sol)
- Mrs Pestell (FCO)
- Mr Wicks (No. 10)
- Miss Goodison
- Mr J Wright

I enclose your draft written answer marked up with our requested changes. If you have any problems with them please ring, otherwise we are quite happy for the matter to be dealt with as per the timetable suggested by you yesterday (Thursday-Friday).

Yours sincerely

Paul Coleridge

DRAFT WRITTEN QUESTION AND ANSWER

Q. To ask the Minister for the Arts: whether the Government has received a reply to its proposal for the future of the Thyssen-Bornemisza Collection.

A. ~~The Chairman of~~ The Trustees ~~and Protectors~~ of the Thyssen-Bornemisza Collections Trust has^{ve} informed the Government that they ~~Trustees~~ have decided not to pursue the British proposal at the present time. Baron Thyssen-Bornemisza has entered into preliminary ~~agreement~~^{accord} with the Spanish Government which is ~~expected~~^{INTENDED} to lead to a loan of most of the Collection for display in Madrid for a period of up to 10 years. The Trustees have decided to try to achieve a full agreement with the Spanish Government along those lines. In these circumstances, Her Majesty's Government has withdrawn its proposal. ~~The Trustees have indicated that, should circumstances change, they would wish to have the opportunity of contacting the Government again about a long-term location in the United Kingdom.~~ The Government has said that, ~~in those circumstances,~~^{change they ve} ~~it~~^{should} would be ready to look at the matter afresh.

and the Trustees approach the Government again about a long term location in the United Kingdom,



cc - PS/Foreign Secretary
PS/ Chancellor of the Exchequer
PS/ SS/DOE
Attorney General
m. Luce
m. Wilding
m. DJ Wright
m. J Wright
~~m. Wicks~~

For your
files

CABINET OFFICE
70 Whitehall London SW1A 2AS
01-270 0101

From the Secretary of the Cabinet and Head of the Home Civil Service

Sir Robin Butler KCB CVO

Ref. A088/2227

20 July 1988

Dear Mr. Coleridge,

--- I now enclose the Government's formal reply to your letter of 15 July.

--- I suggest that we should agree both the terms and the timing of a suitable announcement. As you know, there has been a good deal of press speculation on this matter, and it will be helpful if the British Government and the Trustees can keep to a short statement in similar terms. I enclose the draft of a Written Parliamentary Question accordingly. It would help to forestall press stories if the Minister for the Arts could answer the Question before the end of this week or at the beginning of next week.

By way of a follow-up, the Government is bound to be asked about the terms of its offer. We propose to say that the Government offered a substantial sum subject to negotiation in respect of the paintings, the provision of a suitable gallery and a contribution to its running costs, but not to specify any figures. In other words, the detail of the proposal would remain confidential between us.

Yours sincerely,

Robin Butler

Paul J D Coleridge Esq
Asphalte House
Palace Street
London
SW1E 5HS



CABINET OFFICE

70 Whitehall London SW1A 2AS

01-270 0101

From the Secretary of the Cabinet and Head of the Home Civil Service

Sir Robin Butler KCB CVO

Ref. A088/2226

20 July 1988

Dear Mr. Coleridge,

Thank you for your letter of 15 July conveying the reply made by the Trustees and Protectors of the Thyssen-Bornemisza Collections Trust to the proposal by Her Majesty's Government of 19 May 1988. I have shown the reply to the Prime Minister and the other Ministers concerned.

Her Majesty's Government is glad that the Trustees welcomed its proposal. I have been asked to say in reply that in the circumstances described in your letter the Government fully understands, and accepts, the reasons for the Trustees' decision. Her Majesty's Government now withdraws the proposal of 19 May. If at some future date the circumstances change in such a way that the Trustees wish to pursue the idea of a long-term location for the Collection in the United Kingdom, the Government will be ready to look at the matter afresh.

Yours sincerely,

Robin Butler

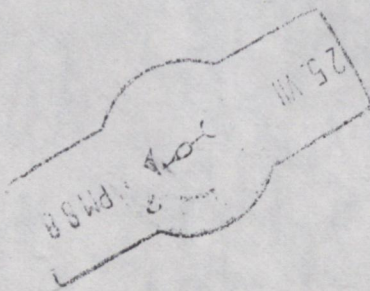
Paul J D Coleridge Esq
Asphalte House
Palace Street
London SW1E 5HS

DRAFT WRITTEN QUESTION AND ANSWER

- Q. To ask the Minister for the Arts: whether the Government has received a reply to its proposal for the future of the Thyssen-Bornemisza Collection.
- A. The Chairman of the Trustees and Protectors of the Thyssen-Bornemisza Collections Trust has informed the Government that the Trustees have decided not to pursue the British proposal at the present time. Baron Thyssen-Bornemisza has entered into preliminary agreement with the Spanish Government which is expected to lead to a loan of most of the Collection for display in Madrid for a period of up to 10 years. The Trustees have decided to try to achieve a full agreement with the Spanish Government along those lines. In these circumstances, Her Majesty's Government has withdrawn its proposal. The Trustees have indicated that, should circumstances change, they would wish to have the opportunity of contacting the Government again about a long-term location in the United Kingdom. The Government has said that in those circumstances we would be ready to look at the matter afresh.

ARTS + AMENITIES.

Thyssen Coll. Pt 2



Ref. A088/2212

NOTE FOR RECORD

cc Mr Morris, No 10
 Mr Catford, No 10
 Mr Wilding, OAL

Call by the Reverend Professor Owen Chadwick

The Reverend Professor Owen Chadwick called on Sir Robin Butler by appointment on the morning of 18 July. The main points of the discussion follow.

2. Professor Chadwick opened by inquiring whether the Thyssen Trustees had yet decided on the future of the Collection. Sir Robin replied that the Trustees had met the previous week and the Government might be able to say something shortly; but matters were not that simple. The Baron had signed a Memorandum of Understanding undertaking to loan the Collection to Spain, which was of dubious legal enforceability, but which none the less the Baron and the Trustees considered engaged their goodwill and honour. It was not at all sure, however, that the Spanish would be able to make anything of the position this offered them, since there were differing views in their Government and they were, furthermore, short of funds for such purposes. The Baron, his family and the Trustees, to differing degrees, had been genuinely impressed by the British proposal, and had seemed to like the idea that Britain might offer the final home for the Collection. There was therefore a strong possibility that should the Spanish fail to take up the proposal for the loan, or fail to extend this to offering a permanent home for the Collection, they might look to Britain for a solution.

ms
You might like to see
see
see
see
2 1/2

3. Professor Chadwick said that a problem which the episode had thrown up for him and his fellow Trustees of the National Portrait Gallery resulted from Sir Hugh Casson's judgment that Baron Thyssen might be moved in favour of the British proposal if he were granted the use of the National Portrait Gallery building to house his Collection. Sir Hugh had spoken to Lord Kenyon and the Director of the Gallery who to varying degrees had been enthusiastic. (The Director, for instance, very much favoured a move to a purpose built building on the Kings Cross site; Lord Kenyon very much favoured a move to Somerset House.) The Trustees had not had a chance to carry out a critique of such a proposal, but would meet on Thursday when their views could be made known. It was Professor Chadwick's view that any proposal to move would meet with considerable opposition amongst the Trustees (the advantages of a move to a purpose built site would be balanced against the historical situation enjoyed in the present building; and many of the Trustees shared the Director's view that Somerset House - with a myriad of small rooms - would be unsuitable for a gallery of the type required). Sir Robin assured Professor Chadwick that the proposal to lodge the Thyssen Collection in the National Gallery had not been initiated or formally considered by the Government; and it had not been among the options put to the Thyssen Trustees. It was unlikely to be pursued unless there was a prospect of the Thyssen Collection coming to the United Kingdom and the Thyssen Trustees favoured it; and this combination of possibilities was remote at present.

4. Professor Chadwick welcomed this and said that this meant that the Trustees' job was to get ahead with the proposal for the Gallery extension. The support offered by the Prime Minister (in the form of a message to be included in the brochure) and by the Office of Arts and Libraries was very much appreciated; and an architect had now been chosen. Sir Robin said that he felt that the uncertainty created by speculation about the use of the National Portrait Gallery building to house

the Thyssen Collection would best be allowed to settle prior to launching the Appeal - and that would not be very long once the Trustees' decision was made known. However, on a more practical note, he had been advised that the OAL were still awaiting some information, in particular to be able to go to the Treasury for formal approval to proceed (with the proposition that they would offer £2 million if the Trustees were able to raise £10 million) and he suggested that the Trustees should get on with providing this. Professor Chadwick seemed mildly taken aback, asserting that he thought that the proposition was in no doubt. Sir Robin said that he was not suggesting that there was any difficulty, but it was necessary for the formal clearance to be gone through with the Treasury (for the Government to be assured of appropriate administration etc.).

5. Professor Chadwick said that if they were to back the suggestion to hold up the project while the Thyssen dust settled, would there be any mileage in approaching the Prime Minister to attend a later lunch than the one which she had earlier declined on diary grounds, assuming that she had declined on diary grounds rather than for other, perfectly understandable, reasons of not wishing to set a precedent? Sir Robin said that he had not asked the Prime Minister himself, but understood that she had previously declined only on diary grounds. If the lunch was being rearranged for next year, it would be worth inviting the prime Minister again. On the other hand, he advised, it would not be wise to determine the timing of the lunch by this consideration, since the Prime Minister would have to consider the invitation among many other calls on her time and her acceptance would always be a long shot.

6. Professor Chadwick raised the question of approaching both the Prince of Wales and Sir Mark Weinberg to serve as Trustees for the Appeal. He had heard from one of the industrialists on the Board of Trustees that the latter was "discontented" at the Tate Galley, and thought that he might therefore be persuaded

RESTRICTED

to head the extension Appeal. Sir Robin said that Professor Chadwick should talk to Mr Catford about these questions, since he was in the best position to guide him on them.

7. Professor Chadwick raised an Honours matter which is recorded separately.

P.C.B.

PAUL CUTHBERT-BROWN

Cabinet Office
20 July 1988

CONFIDENTIAL



FILE
Ecu

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

SIR ROBIN BUTLER

THYSSEN COLLECTION

I have shown the Prime Minister your minute of 18 July which covered draft letters to Mr. Coleridge and a draft Written Answer about the withdrawal of the Government's offer for the Thyssen Collection.

The Prime Minister is content with the draft Answer subject to the two following changes:

- (i) The word "formally" in the fourth sentence should be omitted. The inclusion of the word "formally" might be interpreted as suggesting that while the proposal has been withdrawn "formally" it is still in some way on the table. The Prime Minister does not wish to give this impression.
- (ii) The last word in the draft Answer "again" should be replaced with "afresh".

As for the draft of your letter to Mr. Coleridge replying to his letter of 15 July, the Prime Minister is generally content with the draft attached to your minute, though the omission of the word "formally" from the draft Answer will require a corresponding omission in line 10 of the draft letter. Similarly the word "again" at the end of the draft will need to be replaced by the word "afresh".

The Prime Minister agrees with the suggested line regarding details of the Government's offer, which you suggest in paragraph 4 of your minute. As you know from your short discussion with the Prime Minister this morning, she was herself inclined to give the Answer to Parliament, but agreed that it should be given by the Minister for the Arts as you recommended. She thinks it important that Baron Thyssen should be made aware of the Government's position and you undertook to see that this was done. You will wish to consider whether to advise the Prime Minister that she should write to him. The Prime Minister would also like Sir Peter Smithers to be told.

CONFIDENTIAL

dg

I am copying this minute to the Private Secretaries to the Foreign Secretary, the Chancellor of the Exchequer, the Secretary of State for the Environment, the Attorney General and the Minister for the Arts.

N.L.W.

N.L. WICKS

19 July 1988

One Minute
Content with
A, B, and C?

I am rather
unhappy about the
last sentence of
the statements.
not

Also content with
the suggested line at
X below ?

Ref. A088/2182

MR WICKS

Thyssen Collection

N. C. U.

As requested in your minute of 18 July, I attach:-

18.7

- A - a reply which I would propose to send to Mr Coleridge's letter of 15 July, formally withdrawing the Government's offer;
- B - a draft Written Answer, which might be given by the Minister for the Arts;
- C - a further letter to Mr Coleridge to cover this draft Answer.

2. I should be grateful for Ministers' clearance of these drafts.

3. I confirm that we had not at any stage been told that the Trustees had indicated to the Spanish Government prior to receipt by them of the 19 May proposal from the British Government, that they would seek to try and achieve an agreement along the lines of the Memorandum of Understanding between Baron Thyssen and the Minister of Culture. I agree that it would have been a material factor if they had told us this.

X

4. Ministers will no doubt be pressed to reveal the full extent of the Government's proposal. I suggest that the Minister for the Arts should be authorised to reveal in answer to inquiries that the Government offered a substantial sum in the event of successful negotiations in respect of the

2



paintings, the provision of a suitable gallery and a contribution to its running costs, but should decline to state specific figures. In other words, the detail of the Government's offer should remain confidential.

5. I have copied this minute to the ^{Private Secretaries to the} Foreign Secretary, the Chancellor of the Exchequer, the Secretary of State for the Environment, the Attorney General and the Minister for the Arts.

FR.B.

ROBIN BUTLER

18 July 1988

DRAFT

Paul J D Coleridge Esq
Asphalte House
Palace Street
London SW1E 5HS

Thank you for your letter of 15 July conveying the reply made by the Trustees and Protectors of the Thyssen-Bornemisza Collections Trust to the proposal by Her Majesty's Government of 19 May 1988. I have shown the reply to the Prime Minister and the other Ministers concerned.

Her Majesty's Government is glad that the Trustees welcomed its proposal. I have been asked to say in reply that in the circumstances described in your letter the Government fully understands, and accepts, the reasons for the Trustees' decision. Her Majesty's Government now formally withdraws the proposal of 19 May. If at some future date the circumstances change in such a way that the Trustees wish to pursue the idea of a long-term location for the Collection in the United Kingdom, the Government will be ready to look at the matter again.

MJ

DRAFT LETTER FROM SIR ROBIN BUTLER TO:

Paul J D Coleridge Esq
Asphalte House
Palace Street
London SW1E 5HS

I now enclose the Government's formal reply to your letter of 15 July.

I suggest that we should agree both the terms and the timing of a suitable announcement. As you know, there has been a good deal of Press speculation on this matter, and it will be helpful if the British Government and the Trustees can keep to a short statement in similar terms. I enclose the draft of a Written Parliamentary Question accordingly. It would help to forestall Press stories if the Minister for the Arts could answer the Question before the end of this week.

I really think I should answer it.

By way of a follow-up, the Government is bound to be asked about the terms of its offer. We propose to say that the Government offered a substantial sum subject to negotiation in respect of the paintings, the provision of a suitable gallery and a contribution to its running costs, but not to specify any figures. In other words, the detail of the proposal would remain confidential between us.

DRAFT WRITTEN QUESTION AND ANSWER

PM

Q. To ask the Minister for the Arts: whether the Government has received a reply to its proposal for the future of the Thyssen-Bornemisza Collection.

A. The Chairman of the Trustees and Protectors of the Thyssen-Bornemisza Collections Trust has informed the Government that the Trustees have decided not to pursue the British proposal at the present time. Baron Thyssen-Bornemisza has entered into preliminary agreement with the Spanish Government which is expected to lead to a loan of most of the Collection for display in Madrid for a period of up to 10 years. The Trustees have decided to try to achieve a full agreement with the Spanish Government along those lines. In these circumstances Her Majesty's Government has ~~formally~~ withdrawn its proposal. The Trustees have indicated that, should circumstances change, they would wish to have the opportunity of contacting the Government again about a long-term location in the United Kingdom. [The Government has said that in those circumstances we would be ready to look at the matter ^{again} again.]

~~without comment.~~



SRW

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

SIR ROBIN BUTLER

THYSSEN COLLECTION

I have shown the Prime Minister your minute of 15 July about the letter of the same date from the Chairman of the Thyssen trustees.

The Prime Minister thinks that we should get a statement - presumably by Written Answer - to Parliament informing them of the latest position. She takes this view because the offer lapses at the end of July and we should therefore not leave matters in the air. She thinks that the draft announcement should be cleared in draft with the trustees and the Baron. The Prince of Wales should also be made aware of the position.

BF // I should be grateful if you could let me have a suitable draft answer which might make the position clear in the way the Prime Minister has suggested. I do not think that it necessarily follows that she should give the reply herself. But that is something on which we can seek her views at the same time as she approves the text.

Finally, you should know that the Prime Minister believes that the trustees might have told us about the information contained in the third paragraph of the letter concerning their contacts with the Spanish government. She has commented that we did not know that the trustees had indicated to the Spanish government prior to their receipt of HMG's proposal that they would seek to try to achieve an agreement along the lines of the preliminary accord reached with the Spanish government in April.

I am sending a copy of this minute to Alex Allan (HM Treasury), Roger Bright (Department of the Environment), Michael Saunders (Attorney General's Office) and Eleanor Goodison (Office of the Minister for the Arts).

N.L.W.

(N. L. WICKS)
18 July 1988

cu

ORIGINAL FILED ON:

ARTS + AMENITIES: National Portrait Gallery, Aug 86

CONFIDENTIAL



From the Minister for the Arts

OFFICE OF ARTS AND LIBRARIES
Horse Guards Road
London SW1P 3AL
Telephone 01-270 5929

Prime Minister

To see the house's

bid for a new site

18 July 1988

C88/3719

The Rt Hon Nicholas Ridley MP
Secretary of State for the Environment
2 Marsham Street
LONDON SW1

Dear Nicholas,

*for the National Portrait
Gallery. W.C.U*

THE THYSSEN COLLECTION AND CANARY WHARF

Now that the Thyssen negotiations have been brought to an end, I believe that Canary Wharf could still offer a major opportunity for enhancing the attractions of London Docklands which it would be a great pity to miss. ^{18.7}

As you know, Mr Reichman, the developer, was enthusiastic about making a site available for the prospective Thyssen Gallery and indicated that he would probably be ready to make a substantial contribution to its construction. This would be in keeping with his experience of making a large financial contribution to community projects in his New York development. I suggest therefore that we should explore whether the possibility of providing for an art gallery in Docklands at an advantageous cost is still open, rather than simply let it go by default.

The National Portrait Gallery has outgrown its building in Trafalgar Square and has for some years been seeking a new home. No suitable existing building has been available and the cost of providing a new one has seemed prohibitive. The Gallery has therefore fallen back on a much less than optimal plan for spilling over into some buildings in Orange Street, and hopes shortly to launch an appeal to raise funds for that purpose.

In fact a new purpose-built Gallery in Docklands (which the trustees would welcome) would provide a much better setting for this major national asset and tourist attraction. In addition the present building in Trafalgar Square could then be used to relieve the considerable pressures of space that confine our other national museums and prevent them from showing their collections to full advantage.

CONFIDENTIAL

Work would clearly have to be done to establish what such an initiative would cost, and how we could maximise the private sector contribution. I suggest that we should now agree to explore this without any commitment at this stage, to see whether it is worth pursuing. The key point here would be to establish whether this is an opportunity not to be missed.

Copies of this letter go to the **Prime Minister**, Nigel Lawson, John Major and Sir Robin Butler.

RICHARD LUCE

u
Richard

CONFIDENTIAL



file KK
SUBJECT

10 DOWNING STREET

CC Master.

LONDON SW1A 2AA

From the Principal Private Secretary

SIR ROBIN BUTLER

THYSSEN COLLECTION

The Prime Minister had a brief discussion after Cabinet with the Chancellor of the Exchequer, the Secretary of State for the Environment and yourself about your minute of 6 July regarding a possible message to the Chairman of the Thyssen Trustees.

In discussion, it was emphasised that the Cabinet itself had taken a firm decision that the offer would lapse at the end of July. Extension of deadlines, without a firm decision for acceptance of the UK offer by the Trustees, would simply provide the opportunity for decisions to be delayed. Moreover, it would be unfair on the private developers of Canary Wharf and Centenary Square to keep them in uncertainty since they would presumably want to make other plans for developing their sites. It was important that the matter was not left hanging over in a way which could cause complications for The Queen's and Prime Minister's visits to Spain. An extension of the deadline might be granted if the Trustees had, for example, taken a firm decision that the pictures should come to this country and wanted a little time to settle outstanding issues with the Spanish authorities.

Summing up the discussion the Prime Minister said that you should pass a message to the Chairman of the Thyssen Trustees, either directly or through Mr. Alexander, that the United Kingdom Government's present offer had to expire at the end of July; and that the Government could only consider the matter further after then on the basis of a firm decision by the Trustees that the pictures should come here.

I am sending a copy of this letter to the Private Secretaries to the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Secretary of State for the Environment, the Attorney General and the Minister for the Arts.

N. L. W.

N. L. WICKS
7 July 1988

CONFIDENTIAL

cc Press Office 2



Pine Minutes

to note.

Ref. AO88/2166

MR WICKS

I think we must get a return to Parliament - the other lapses 15.7 at the end of July -
The Thyssen Collection and we should leave matters in the air. We should discuss

N.C.U.

attached

You will have seen the letter from the Chairman of the Thyssen Trustees in which he says that the Trustees do not feel it appropriate to enter into discussions with other interested Governments or Institutions while negotiating the loan to Spain. The letter says that while the Trustees appreciate that Her Majesty's Government's offer cannot remain on the table beyond the end of this month, they hope they might be at liberty to contact HMG in the event that circumstances change at some time in the future.

reply with the Trustees and the Baron

I feel the Trustees might have told us the information contained in their letter about their contact with the Spanish Government.

2. I interpret this letter as saying that the Trustees do not feel able to pursue our proposal at present but may wish to approach us if the negotiations with Spain fall through. This is not an altogether unsatisfactory outcome at this stage.

The British Museum should also know.

3. I have not been able to reach Mr Coleridge to establish whether the Trustees have said, or propose to say, anything to the press. I suggest that until we know their intentions about that, the Government should not take an initiative, but, in case the story breaks over the weekend, I suggest the following press line which I have discussed with the Office of Arts and Libraries and yourself:



"Her Majesty's Government have been informed by the Trustees of the Thyssen-Bornemisza Collections Trust that they have considered the British Government's proposal to provide a long term location for the Thyssen Bornemisza Collection. They have indicated that, while grateful for the British Government's proposal, discussions with the Spanish Government about a loan of the Collection for display in Madrid are at an advanced stage, and that it would be inappropriate to enter negotiations with another Government while these discussions continue. Her Majesty's Government fully understands and accepts this position."

4. I shall submit after the weekend a draft reply to Mr Coleridge, on the lines previously agreed - ie that HMG would be prepared to consider the matter further if at some time in the future Baron Thyssen-Bornemisza and the Trustees decide that they would wish to pursue the provision of a long term location for the Collection in the United Kingdom.

5. I am copying this minute to the Private Secretaries to the Chancellor of the Exchequer, the Secretary of State for the Environment, the Attorney General and the Minister for the Arts.

NS Wadley
(Private Secretary)

ROBIN BUTLER

*Approved by the
Cabinet Secretary and
signed in his absence*

15 July 1988

From: Paul J.D. Coleridge

Tel: (01) 834 8509
Telex: 913001
Fax: (01) 828 0720

Asphalte House,
Palace Street,
London,
SW1E 5HS

c. Mr Wiles
ps/Chancellor of the
Exchequer
ps/SofS for the
Environment
ps/Minister for the
Arts

15th July 1988.

Sir Robin Butler KCB CVO
Cabinet Office,
70, Whitehall,
London SW1A 2AS

CABINET OFFICE	
A	7591.....
15 JUL 1988	
FILING INSTRUCTIONS	
FILE No.

Dear Sir Robin,

I have been asked by the Trustees and Protectors of the Thyssen-Bornemisza Collections Trust (whom I shall refer to below as 'The Trustees') to write to you in relation to the proposal by Her Majesty's Government of 19th May 1988. I trust that neither the Prime Minister nor other ministers involved in this matter will consider it discourteous if I communicate solely with you; in view of your personal involvement and position it would seem the simplest line of communication.

At their recent meeting the Trustees considered the proposal of 19th May. So far as the merits of the proposal are concerned, whilst there may be aspects upon which considerable further discussion would be required, overall they would wish to endorse wholeheartedly the views expressed by Baron Thyssen-Bornemisza in his letter to the Prime Minister of 30th May. The proposal is indeed both impressive and carefully thought out. As Trustees we were very grateful and honoured to receive it.

As you are aware following upon discussions with and proposals from other governments and institutions over the past eighteen months, Baron Thyssen-Bornemisza signed a preliminary accord with the Government of the Kingdom of Spain on 7th April this year. This accord would, when fully developed into a formal agreement involve a loan of about 600-700 paintings for a period approaching ten years for display in the Villahermosa Palace in Madrid. The Trustees, prior to receipt by them of the 19th May proposal from HMG, indicated to the Spanish Government that they would seek to try and achieve an agreement along the lines of that preliminary accord. The process towards that agreement is now being pursued.

We did
not know
this.

The proposed arrangements with Spain state that during the course of the loan period it is contemplated that discussions will take place to see whether a long term solution for the paintings to remain in Madrid is achievable. Accordingly, at this time the Trustees do not feel that it would be appropriate

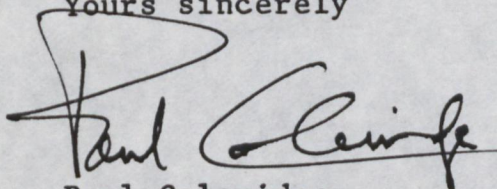
to enter into discussions with other interested governments or institutions in advance of the commencement of the loan period.

The Trustees appreciate that HMG's proposal cannot remain on the table beyond the end of this month and have had to take that into account in their deliberations. However, we hope that perhaps we might be at liberty to contact HMG again in the event that circumstances change at some time in the future.

In the meantime the Trustees would wish to communicate their sincere gratitude to the Prime Minister, other members of the Government and yourself for the great interest shown in respect of the future housing of this outstanding art collection.

Please communicate the contents of this letter to the Prime Minister and other ministers as you think appropriate.

Yours sincerely

A handwritten signature in cursive script, appearing to read "Paul Coleridge". The signature is written in dark ink and is positioned below the typed name.

Paul Coleridge.

(Action this day) 1

CONFIDENTIAL



Prime Minister

Ref. AO88/2074

PRIME MINISTER

1 must have
a word with the

Agree a message to

Chairman - and be passed to the Chairman
of the Trustees as suggested
in § 5 ?

his the PCs,
reply to them
maintain it

N.H.W.
6.7

Thyssen Collection

We have received information that the Trustees of the Thyssen Collection will be meeting in a few days time and will consider the UK proposal. But the Chairman of the Trustees has told Mr Robert Alexander that they are likely to conclude that the UK proposal cannot be considered in depth while the discussions with Spain are proceeding.

2. At the same time, notwithstanding recent newspaper reports, the Chairman of the Trustees has said that negotiations with Spain are not making great progress. They are still exclusively about a loan, and even on that there is a good chance that no agreement at all will be reached. But the Chairman thinks that it may take time for the talks to break down.

3. This raises the issue of what the Government's stance should be if the Trustees defer substantive consideration of the UK proposal. In presenting our proposal, Ministers said "HMG would hope that the Trustees would decide in principle before the end of July whether they wished to pursue this proposal". In your recent letter to Baron Thyssen, you repeated that, in view of the importance of the Collection, our proposal would remain available until the end of July.



4. We clearly cannot leave our detailed proposals open indefinitely. In particular, the developers of Canary Wharf and Centenary Square will want to know whether they should reserve the sites offered for the exhibition or make other plans for developing them. Moreover, Ministers have always been clear that they should not allow the Thyssen interests simply to string HMG along, possibly for the purpose of strengthening their own position in negotiations with the Spanish Government. On the other hand, we should not take an action now which would rule out acquiring the Collection if it remains a possibility in the longer term.

5. In these circumstances, the best response, if the Trustees defer substantive consideration of HMG's proposal, may be to say that, while we continue to be strongly interested in providing a long term home for the pictures, we cannot keep our present proposal open after the end of July. HMG would be willing to consider the matter afresh if the Baron and the Trustees subsequently indicate that they are ready substantively to entertain a proposal from the United Kingdom.

6. If this is to be our response, there would be advantage in giving an indication to the Chairman of the Trustees, before the meeting, that this is likely to be what we will say, in the hope that the Baron and the Trustees may yet feel that there is sufficient attraction in the details of our present offer for them to not want to pass it up and may conclude that they must decide now between the British proposal and the negotiations with Spain.



7. Would you agree that I should pass a message to the Chairman of the Trustees, either directly or through Mr Alexander, before the Trustees' meeting that if the Trustees decide that they cannot proceed with substantive consideration of our proposal for the time being, our response would probably be on the lines of para 5? Such a message, if it is to influence the Trustees' meeting, will have to be passed to Mr Coleridge on Friday.

8. I am copying this minute to the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Secretary of State for the Environment, the Attorney General and the Minister for the Arts.

R.R.B.

ROBIN BUTLER

6 July 1988

Price Waterhouse and Partners



STRICTLY CONFIDENTIAL

c. Mr. Wicks

The Protectors and Trustees of
The Thyssen-Bornemisza Art Collections Trust
c/o Mr. Paul J. Coleridge
Asphalte House
Palace Street
LONDON SW1E 5HS

7 July 1988

NOT SENT

Dear Sirs,

The offer of Her Majesty's Government of a permanent home in Great Britain for the Thyssen-Bornemisza Collection has been formally transmitted to you through Paul Coleridge for your consideration.

I felt it might help if I wrote to explain in some detail the background to this proposal.

Enclosed is a summary of the chronology of events with precise dates.

When I met with Baron Thyssen on 26 February 1988 we had discussions lasting 5½ hours. Baroness Thyssen was present at lunch and we had an opportunity of discussing the matter. Both confirmed that they would welcome a British proposal. During the discussions Baron Thyssen provided me with detail of the other offers and, when we were on our own, gave his views on the existing proposals. He conveyed to me very precisely what he felt would be important if a British offer were to be successful. I informed him that I believed Britain could come up with a firm proposal to meet these precise requirements and, based on this commitment, he assured me that no final decision would be taken until he had received the British proposal. He expressed himself delighted with our discussions and the prospect of a British proposal for the permanent solution of his Collection. A permanent solution clearly would also deal with any problems that could arise in the family at his death.

At the meeting with the Prime Minister, at which I was present, no reference was made to any discussions with Spain, and it was conveyed to the Baron that it was the clear intention that a formal proposal would be put to him shortly. A number of possible sites were reviewed.

In detailed discussions I had with Baron Thyssen on 8 May 1988, he was clearly in some doubt as to whether Britain would really be putting forward a firm proposal. I assured him that I felt the British proposal would be made within two weeks. Based on this

assurance, he reconfirmed his position and wrote to me that he would welcome the British offer, but stating that the ultimate decision for either a permanent or short-term solution would lie with the Trustees.

The British offer was formally made to Baron Thyssen on 21 May 1988 by Sir Robin Butler. On 22 May I returned to Villa Favorita and had a meeting with Baron Thyssen. It was apparent that he had given the British offer exhaustive and critical study and was perfectly in command of the smallest details. He expressed himself delighted with the offer. It went beyond his expectations and he had not thought we would come up with a firm proposal in such a short time meeting in detail the requirements he had conveyed to me in February. He suggested a few changes in detail, all of which would be negotiable without difficulty, and specifically asked that a copy of the proposal should be sent direct to his son, Heini.

He raised the problem of the Spanish letter of intent and how it might be possible to resolve this issue.

There is no room for doubt that the Baron at that time clearly favoured the British solution, but of course this was before he had an opportunity of discussing it with his wife.

It is significant that, in his reply to the Prime Minister, and on other occasions, the only obstacle alleged by him to its acceptance was the existence of the letter of intent which, under considerable pressure, he was induced to sign in Madrid before seeing the completed British offer.

The enclosed chronology of the principal events leading up to the British offer, make clear the extent of the Baron's commitment to HMG both before and after signing the letter of intent in Madrid. My view is that had the Baron not conveyed in the clearest terms that he personally saw Britain as the ideal permanent solution, Britain would not have taken the wholly unusual course which involved a decision by the Cabinet, a handwritten letter by the Prime Minister, an interview with the Prime Minister and a visit by the Permanent Secretary to Lugano.

Baron Thyssen informed me that he had made it clear to Spain that any ultimate decision, either for the short or the long-term future of his Collection, would lie with the Trustees. I assume that he has always been aware of the provision of British and therefore Bermudan law, which is that the Trustees of a Trust have a duty and responsibility to beneficiaries which must be discharged, even if this might appear dishonourable to third parties.

I am of course available if there are any questions or if a further discussion would be helpful.

Yours faithfully,

Claude Hankes-Drielsma

Ref. AO88/2106

NOTE FOR THE RECORD

Pme Pimble²
to note.

N. L. U

11-7

cc Mr Wicks (No 10)
 Mr Jefferson (DOE)
 Mr Wilding (OAL)
 Mrs Case (Treasury)
 Mr Collins (T. Sol)

Thyssen Collection

Sir Robin Butler spoke on the telephone to Mr Coleridge, Chairman of the Thyssen Trustees, this afternoon. He explained that in the light of Mr Coleridge's conversation with Mr Robert Alexander, in which the former had indicated that the United Kingdom proposal for the future of the Thyssen Collection could not be considered in depth while the Trustees were having discussions with Spain, he had consulted Ministers about the Government's position and in particular whether Ministers would be able to keep open their proposal after their original deadline of end-July. He explained that Ministers had taken the view that they could not keep the private developers of Canary Wharf and Centenary Square in uncertainty since they would wish to make other plans for developing their sites. He had therefore to tell Mr Coleridge that the Trustees should be aware that the United Kingdom Government's present offer would expire at the end of July and that the Government could only consider the matter further after then on the basis of a firm decision by the Trustees that the pictures should come here.

2. Mr Coleridge accepted that this was a reasonable position. He said that there had been frenzied activities by the lawyers in recent months but that they had now honed in on the essential problems (in response to a question from Sir Robin Butler as to

whether these related to the rights of the beneficiaries, Mr Coleridge said that the problems were more fundamental than this and referred to the "payment of the money" but did not elucidate beyond this); there was a prospect that these problems might be resolved quickly and that matters might soon be clearer, by the end of September if not by the end of July - otherwise they were likely to drag on for a long time. He referred to uncertainties about the position in Madrid - for example rumours of an imminent Cabinet reshuffle. He could not prejudge the outcome of next week's meeting of the Trustees. However, he undertook to respond formally on behalf of the Trustees to the British Government's proposal following the meeting of the Trustees (the response would be addressed to Sir Robin Butler).

3. Sir Robin said that, lest the Trustees should think it unreasonable for the British Government not to be willing to extend its proposal even until end-September, Mr Coleridge should be aware of a further factor which was likely to make the Government unwilling to extend its deadline of the end of July. This was that there would be visits to Spain by the Prime Minister in September and by The Queen in October. It would be unfortunate if these visits took place against a background of continuing Anglo-Spanish competition for possession of the Collection.

4. Mr Coleridge said that he was grateful for this information, which he had not been aware of and which would help him to persuade the Trustees to reach a firm decision in July rather than postpone it. He went on to say that following their meeting, the Trustees would have to be more forthcoming with the press than hitherto. The natural inclination of the Trustees had been to say nothing; they had been embarrassed by recent disclosures in the tabloids which were part invention and part based on misquotation or partial quotation of interviews which Baron Thyssen had found it hard to resist offering the press. The British Government could be assured that none of these

articles represented the position of the Trustees which was unaltered.

attached 5. Sir Robin Butler subsequently related this conversation to Mr Robert Alexander and also discussed with him the letter of 7 July which Sir Robin had dissuaded Mr Hanks-Drielsma from sending to the Chairman of the Trustees (a position which Sir Robin had subsequently maintained in response to a long telephone call for Sir Peter Smithers). Mr Alexander commented that he was entirely in agreement with the position the Government had taken over the period for which the offer should remain open and with the decision to persuade Mr Hanks-Drielsma not to send his letter (which Mr Alexander had also seen). He considered that we should play it straight and as far as possible conduct our business confidentially. Unofficial emissaries should restrain their activities.

Trevor Woolley
T A WOOLLEY

8 July 1988



file 15

10 DOWNING STREET

THE PRIME MINISTER

4 July 1988

Dear Sir Roy,

Thank you very much indeed for your letter of 25 June. I am most grateful for your support for our attempts to secure the Thyssen collection for the United Kingdom, and your willingness to express that support publicly. It is a unique and valuable collection which would enhance the artistic fabric of this country.

Yours sincerely

Margaret Thatcher

—

MP

Sir Roy Strong.



cc DOE
OAL
CO.

10 DOWNING STREET
LONDON SW1A 2AA

From the Principal Private Secretary

28 June 1988

I am writing to thank you for your letter of 27 June in which you confirmed the message which you telephoned to the Prime Minister on Saturday 25 June about the Thyssen Collection.

I know that the Prime Minister will be grateful for your support.

(N.L. Wicks)

Sir Peter Wakefield, K.B.E., C.M.G.

KK

NATIONAL ART-COLLECTIONS FUND

20 John Islip Street, London SW1P 4JX Telephone 01-821 0404

Patron: Her Majesty the Queen

The Principal Private Secretary
Nigel Wicks Esq., CBE
10 Downing Street
London SW1

2 PPS NT

Prime Minister

I have acted. R28/6

27th June 1988

N. C. W.

28.6.

ms

Dear Mr. Wicks,

To confirm the message telephoned to No.10 Downing Street for the Prime Minister on Saturday, 25th June:

"The National Art-Collections Fund, the foremost art charity, vigorously supports the efforts of the Prime Minister to secure the Thyssen collection in its entirety for the nation.

Sir Brinsley Ford

Chairman (in the absence abroad of Sir
Nicholas Goodison)

Sir Peter Wakefield

Director"

Yours sincerely,

Peter Wakefield

Director

Sir Roy Strong, Ph.D., F.S.A.,
The Laskett, Much Birch, Herefordshire HR2 8HZ
0981-540-056

R28/6

June 25th 1988

Dear Prime Minister,

Now that I am a private citizen
I have the freedom to write and applaud
your initiative to secure the Thyssen
Collection for the U.K. I do this as an
ex-national museum Director of 22
years standing, as a member of the
Conservative Party's Arts Group and as
a consultant to the Canary Wharf
Scheme (one of its advertised
destinations).

It would be sad if you or
anyone in Government were to be

deflected by the negative attitudes
of members of my ex-profession about
which I knew only too much. As I said
on both BBC TV news + on Breakfast
TV this, if it came off, would be
your greatest achievement for
the arts.

Yours sincerely

Ray Stoney



10 DOWNING STREET

~~Dominic,~~

Sir Hugh Leggate
delivered this by hand
on Saturday, then telephoned
to say that he had
withdrawn the original
letter from the Times!!

CF
→

Thanks. No action
necessary. Put with
Thynne papers

Jro
- 20/6.

Jue
20/6/88

Leggatt Brothers

R19/6.

FINE ART DEALERS

ESTABLISHED 1820

SIR HUGH LEGGATT
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17, DUKE STREET,

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LONDON, SW1Y 6DB.

TELEPHONES:

01-930 3772 & 3252

VAT REGISTRATION NO. 239 2709 47

19 June, 1988

COPY

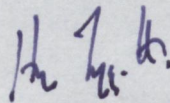
Sir,

I could be mistaken but I do not believe that our own public museums and galleries will suffer even further financial deprivation than they do at present if the Government is successful in obtaining for this country Baron Thyssen's splendid collection.

In wholeheartedly supporting the Prince of Wales and the Prime Minister in their initiative, may I make one point: the decision as to the venue should surely be Baron Thyssen's.

However, I have put forward the suggestion that the Government might consider offering the most prestigious site of all - that of the National Portrait Gallery, adjoining the National Gallery itself, in Trafalgar Square. Naturally this would entail the reconstruction of the site and a new building for the National Portrait Gallery, but this is precisely what the Trustees have been advocating for many years.

Yours faithfully,



Sir Hugh Leggatt

The Editor,
The Times



Prime Minister

N. C. U.

2 cc BT

Ref. A088/1796

MR WICKS

Thyssen: The Times Story

The lead story in The Times about the United Kingdom's proposal for the future of the Thyssen pictures came from the Baron's reception and dinner in Lugano on Saturday evening to mark the opening of an exhibition of Russian art. I have had an account of how it came about from Mr Hanks-Drielsma, who was present.

2. There was a substantial amount of talk about the United Kingdom's offer at the reception and the dinner at which a correspondent of The Times was present. At the dinner the Baron in his speech mentioned the United Kingdom among other countries with whom he had had discussions. The Baron introduced Mr Hanks-Drielsma to the leading member of the local canton, in front of The Times correspondent, saying that Mr Hanks-Drielsma was the protagonist for locating the Collection in London. The Baron's Public Relations Officer told Mr Hanks-Drielsma, again in front of the correspondent of The Times, that she was beginning to receive press inquiries - she in particular mentioned "The Independent" - about the proposal from the British Government. Later in the evening the Baron showed the Prime Minister's personal letter to a number of his guests. Judging that the correspondent from The Times had enough to write a story, Sir Peter Smithers and Mr Hanks-Drielsma decided late on Saturday night that they would brief him on the correct story, and they left a message at his hotel asking him to call on Sir Peter Smithers on Sunday morning. The story in the Times is undoubtedly the result of their briefing.



3. If the story was to break there appears to be some advantages in the way it has happened. It demonstrably came from Lugano rather than from London. The way in which the correspondent of The Times has presented the story, as a result of the briefing from Sir Peter Swithers, is positive and helpful. The details of the British proposal have not been supplied.

4. Given this, it appears that we can follow a press line close to that which we always envisaged, namely to confirm that the British Government, like some other countries, has made proposals for the future of the Collection, given its unique quality and the desire of the Baron and the Trustees to find a long-term location for it; that the details of the proposals should remain confidential while the discussions are in progress; and that the proposals will be subject to Parliamentary approval in due course, if successful. On sites, The Times mentions Docklands and Birmingham, and the press will no doubt be able to confirm this by enquiries in Docklands and Birmingham, but it seems better that the Government should say no more than that we have naturally suggested some sites taking account of earlier discussions with the Baron about his preferences but decline to say anything further for the time being. A brief is being prepared for the Press Officer for the Minister for the Arts, who is answering Parliamentary Questions today, and for the Prime Minister for tomorrow's Prime Minister's Questions. I have also asked Mr Hanks-Drielsma to arrange that either he or Mr Robert Alexander let the Baron know that the story has broken from Lugano and that our Ministers are likely to have to comment on the lines above, which I mentioned to the Baron when I presented the original proposal.

Confirm proposal details confidentially with discussion. Should have been expressed in Parliamentary approval required.



5. I am sending copies of this minute to the Private Secretaries to the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Secretary of State for the Environment, the Attorney General and the Minister for the Arts.

R.R.B.

ROBIN BUTLER

13 June 1988



Me from

17

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBIN BUTLER

THE THYSSEN-BORNEMISZA COLLECTION

The Prime Minister has slightly amended the letter which you suggested in your minute of 3 June she should send to the Baron Thyssen-Bornemisza in reply to his of 30 May.

I should be glad to know before the letter is sent that you are happy with the Prime Minister's revision.

Please could you let me know today.

N. L. WICKS

6 June 1988



10 DOWNING STREET

THE PRIME MINISTER

6 June 1988

cc OAL
LOD
DOE
HMT
FCO

CO

MJ

Dear Baron Thyssen-Bornemisza,

Thank you for your letter of 30 May. I am very grateful to you for letting me know your thoughts and your discussions about the future of the Thyssen-Bornemisza Collection.

I am glad that you found our proposal helpful. I readily understand your position in relation to the memorandum of understanding which you have signed with the Spanish Government.

The proposal which the British Government has made to you and the Trustees for the future of the Collection is so fundamental that I feel it should remain available for the time we indicated in the documents themselves. I understand that you will be having a meeting with your Trustees in July and we will await the outcome. In the meantime, if there is any further information or help we can give, please do not hesitate to let me know.

The collection is so beautiful and must mean so much to your family that I realise full well the difficulties of reaching a final decision.

Kind regards.

Yours sincerely

Margaret Thatcher

Baron H. H. Thyssen-Bornemisza

ea



GR

Per type attach 6/6

Ref. A088/1688

Prime Minister

MR WICKS

A letter to the Baron is

attached

The Thyssen-Bornemisza Collection

ASB
3/6

Thank you for your minute of 2 June attaching Baron Thyssen's letter of 30 May to the Prime Minister. I am attaching to this minute copies of the similar letters received by the Secretary of State for the Environment, the Minister for the Arts and myself.

2. Following receipt of these letters I have had discussions with Sir Peter Smithers on the telephone and with Mr Robert Alexander and Mr Hanks-Drielsma.

3. Sir Peter Smithers attaches significance to the fact that the Baron's letter does not say that he and his family prefer the Spanish solution. The letter to the Prime Minister says that they feel that "for the time being we cannot unilaterally break the agreement we signed with the Spanish Government". Sir Peter Smithers believes that the Trustees will nevertheless consider the British proposal at the meeting in early July, and Mr Hanks-Drielsma has confirmed in a telephone conversation with Mr Coleridge, the Chairman of the Trustees, that this is his intention. Sir Peter Smithers believes that the Baron's letter has been greatly influenced by his son, who is mentioned in the letter, since it reflects what is believed to be the son's views, namely that the Spanish proposal is unsatisfactory but that the family's honour is bound up in not breaking it unilaterally.

Sir Peter should be say he now thought it was the Spanish this is by culture also was the problem

4. In the light of this, my advice, with which Mr Alexander, Sir Peter Smithers and Mr Hanks-Drielsma agree, is that our objective should now be that the offer is considered by the

CONFIDENTIAL



Trustees in July, and that we should maintain the deadline of the end of July for a decision on whether to pursue it. Much will depend on the progress of the discussions with Spain and Mr Coleridge's information on the talks which the Baron attended 10 days ago is that they did not proceed satisfactorily.

5. In the light of this, I recommend that the Prime Minister
_____ replies to the Baron's letter in the attached terms.

6. Baron Thyssen has been invited by the Trustees of the National Gallery to attend a dinner on 23 June in London to celebrate Mr Walter Annenberg's 80th Birthday. It could be advantageous to arrange a lunch with him when he is over to see if there are any further points which could be profitably pursued with him before the meeting of the Trust. It is important that such an occasion does not give him the impression that the British Government is seeking to put pressure on him. Mr Alexander is seeking advice from Sir Jacob Rothschild on how might be the best way of using this opportunity, if it arises.

7. I am copying this minute to the Private Secretaries to the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Secretary of State for the Environment, the Attorney General and the Minister for the Arts.

R.B.

ROBIN BUTLER

3 June 1988

CONFIDENTIAL

CONFIDENTIAL



DRAFT OF 3 JUNE 1988

DRAFT LETTER FROM THE PRIME MINISTER TO BARON
THYSSEN-BORNEMISZA

Thank you for your letter of 30 May. I am very grateful to you for informing me of the progress of your discussions about the future of the Thyssen-Bornemisza Collection.

I am glad that you found our proposal helpful. My colleagues and I readily understand your position in relation to the memorandum of understanding which you have signed with the Spanish Government. The proposal which the British Government has made to you and the Trustees for the future of the Collection remains available and we look forward to hearing the outcome of the Trustees' discussion in July about whether you and the Trustees wish to pursue our proposal. We will leave the matter in the hands of yourself and the Trustees, but if there is any further information or help which we can give in the meantime, please do not hesitate to let me know.

CSW

CONFIDENTIAL

FRBAGQ

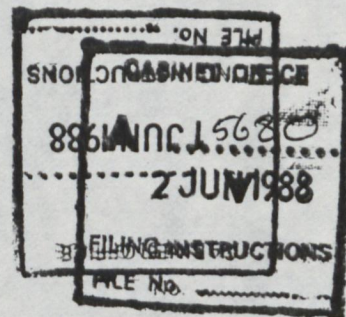
H. H. THYSSEN-BORNEMISZA

6976 CASTAGNOLA (SCHWEIZ)

VILLA FAVORITA - TEL 51 66 21

May 30th, 1988.

Sir Robin Butler KCB, CVO
Secretary of the Cabinet and
Head of the Home Civil Service
Secretariat
70 Whitehall
GB - London SW1A 2 AS



Dear Sir,

thank you so much for your short visit on 21st of May last, when you delivered me the proposal of Her British Majesty's Government.

It was carefully studied by my eldest son George Henry and my wife. We came though to the conclusion that the letter of intent signed between the Spanish Government and myself on the 7th of April this year commits me for the next 12 year (including refurbishment of the Villa Hermosa) to lend about 700 pictures to Spain.

I am sorry not to be able to give you better news for your long-term solution, for the time being. I will keep the proposal strictly confidential. I have written to His Royal Highness Prince Charles, to the Prime Minister and to the Minister for the Arts and the Secretary of State for the Environment accordingly.

Thanking you for the enormous efforts made to put the proposal together in such a short time, I am sending you my best regards,

Henry Thyssen-Bornemisza

H.H. Thyssen-Bornemisza

c. Mr Stoane (OAL)
Mr Jefferson (DOE)
Mr Anson (Treasury)
Mrs Care (Treasury)
Mr Collins (T Sol)

H. H. THYSSEN-BORNEMISZA

6976 CASTAGNOLA (SCHWEIZ)
VILLA FAVORITA - TEL 51 66 21

May 30th, 1988.

The Rt. Hon. Richard Luce, MP ✓
Minister for the Arts

The Rt. Hon. Nicholas Ridley, MP
Secretary of State for the Environment

70 Whitehall
GB - London SW1A 2 AS

Dear Sirs,

First of all I wish to thank you for the speedy and very clear proposal of Her Majesty's Government of the 19th of May of this year. I discussed it with my eldest son George Henry and my wife, who studied the contract very carefully. We came though to the conclusion that we cannot unilaterally break the letter of intent signed with the Spanish Government on April 7th this year. In this contract the Villa Hermosa in Madrid will be modified into a modern Museum within two years and lent 600 to 700 pictures from our collection for ten years, which takes us to the year 2000.

I am sorry that I cannot give you a more positive answer on the long-term solution, but I do hope that we can exchange exhibitions between English institutions with Lugano and/or Madrid.

with our best regards, Yours sincerely

Hans Thyssen-Bornemisza

H.H. Thyssen-Bornemisza

OFFICE OF ARTS AND HERITAGES
ACTION: <i>Mr Stone</i>
BY:
FOR INFORMATION:
<i>Mr Wilding (OR)</i>
<i>Miss Morrison (OR)</i>
<i>Mrs Stokes</i>

SECRETARY OF STATE PRIVATE COUNCIL OF C.4507.....
-2 JUN 1988
FILING INSTRUCT ON

Artt v Amerindes : Thysen feb 88

CONFIDENTIAL



me from

10 DOWNING STREET

From the Principal Private Secretary

SIR ROBIN BUTLER

I should be grateful if you could provide advice on, and a draft for the Prime Minister to send to, the letter attached from Baron H.H. Thyssen-Bornemisza regarding his collection of pictures. I know that the Prime Minister would like to send a reply quickly.

I am sending a copy of this letter to Tony Galsworthy (Foreign and Commonwealth Office), Alex Allan (H M Treasury), Roger Bright (Department of the Environment) and to Eleanor Goodison (Office of the Minister for the Arts).

N. L. WICKS

2 June 1988

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PART 1 ends:-

BARON THYSSSEN to PM 30.5.88

PART 2 begins:-

NW to FOLB. 2.6.88

Grey Scale #13



A

1

2

3

4

5

6

M

8

9

10

11

12

13

14

15

B

17

18

19

Inches

1

2

3

1

2

3

4

5

6

7

8

Centimetres

Colour Chart #13

Blue

Cyan

Green

Yellow

