PREM 19/4297/1 PART 1072

CONFIDENTIAL FLUNG

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Policy as Ministeras Menois.

MEMOIRS

PTI: August 1979

PT3: May 1991

In attachea fader: Alan Clau's Daies

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Ref. A093/1513

MR ALLAN

Prime Minister

I'm only skinned, but

it is absolutely rivelting!

References to you look OK.

Alan Clark's Diaries

I said I would let you see a copy of Mr Clark's Diaries which he has submitted to me for clearance before publication.

-- I attach a copy. - IN ATTACHED FOURER

- The references have been flagged up on the text for ease of reference.
  - 3. You will see that the Diaries are pretty racy. (It has been said of Mr Clark that he regards 22 letters of the alphabet as redundant). Some of it is difficult to square with the Radcliffe rules, eg the Diaries' descriptions of relationships with other Ministers and officials. I will seek to persuade Mr Clark to remove some of the most offensive references but Mr Clark is so much of an eccentric that I cannot seriously argue that the material is very damaging to the process of Government and, subject to the Prime Minister's views, I do not propose to be too heavy-handed.
  - 4. As you know, I undertake to read and comment on Ministerial memoires in confidence. I would therefore be grateful if the draft could not be shown to anyone other than yourself and the Prime Minister. Similarly, I would be grateful if the draft was not photocopied.

ROBIN BUTLER

## Alan Clark's Diaries

## References to the Prime Minister

- 1. Page 197 lines 28-31 [January 1988]
- 2. Page 218 lines 8-10 [June 1988]
- 3. Page 277 lines 1-3 [January 1990]
- 4. Page 285 lines 26-32 [March 1990]

5. Page 294 lines 16/22 [April 1990]

6. Page 340 [October 1990]

"Why it is said that John Major (outwardly the mildest of men) is reputed to have sworn to 'get' him [John Moore], I must suppose it is because he is the only possible contender for the leadership of the Party who is outside the 'Blue Chip' Club."

"However dear John Major very nobly allowed me to appeal directly to him, and overruled his own officials who had forbidden me (through my officials) to use the word 'extra'."

"John Major, whom I like more and more, said to me sotto voce, 'You're a military strategist. Oughtn't you to be sending your tanks round the flank rather than attacking head on"

"The Government have got to find a billion, at once, to buy off the Poll Tax complainants.
'That won't be enough', I sniggered.
'No, wait' he [Tristan Garel-Jones] said, I told them 'the only person who can give this to you is Alan Clark'
John Major, somewhat ruefully agreed."

"Some weeks ago he [Tristan Garel-Jones] had written a paper [about the leadership of the Party] in his own hand; circulated it to the Chief Whip, Ingham (?!), Andrew Turnbull, John Major and Mark Lennox-Boyd. ... Each of the recipients had 'tried to push him through the door' (ie to say it in person)."

"She [Lady Thatcher] was already beginning to transfer her affections (La Donna é mobile) to John Major".

7. Page 349 [November 1990]

7. Page 363 [November 1990]

- 8. Page 364 [November 1990]
- 9. Page 369 [November 1990]

"He [Tristan Garel-Jones] launched into some dissertation as to how Douglas (who will be in Paris ...) and John Major (who will - for God's sake - be in hospital, having just had four teeth out) will speak to each other in that first critical hour between 6 and 7 pm on Tuesday and, it is to be hoped, settle what should happen next."

"We're then left with John Major who, being calm and sensible, is infinitely preferable to that dreadful charlatan H [Heseltine]. But John is virtually unknown, too vulnerable to the subtle charge of 'not yet ready for it'.

He has personal handicaps, not of his own making. The product, indeed, of his virtues. He's not at all <u>flash</u>, and a lot of colleagues think its flash that we need at the moment. And he's not classy, which doesn't worry me in the slightest, but worse, he doesn't (like Mrs T) even <u>aspire</u> to be classy."

"Anyway people are sick of passion, they want reassurance. The only two figures who can do this are Tom and John Major .... John is more engaging than Tom in some ways, with a lovely grin, but seems really too youthful. There is no time to project him. Even in the House he is barely known, has never been seen under fire."

"He [Francis Maude] claims that John Major has a better chance than we all realise. But John won't make a move while The Lady remains in the field."

"To my amazement, I saw that John Major had already drawn level! [in a MORI poll] And in one case was actually ahead."

"This could be critically important. If John can break through here, he's won."

DEN M

10. Page 373 [November 1990]

11. Page 378 [December 1990]

"But even if I can't get a single person in the town to tell me to vote for John Major, that's what I'm going to do."

"Both Jonathan (Aitken) and Paul (Channon) are teasing me mercilessly ... about how probable it is that ('sadly') I will be left out of John Major's new administration."

"However, when he met with John Major, Heseltine made no attempt whatever to get places for his acolytes ..."

"There was some (I thought slightly bizarre) talk of my being John's PPS in the next Parliament ..."

Clark:DL

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10 DOWNING STREET LONDON SWIA 2AA

From the Principal Private Secretary

5 May 1993

pps/banor kw

## KENNETH BAKER MP: ACCESS TO PAPERS

Further to my letter this morning, I attach some more papers that I understand Mr Baker wishes to see. I still find it amazing that DFE have not kept the top copy of a record of a meeting the Prime Minister held on "Education Policy".

I am copying this letter to Mike Sweet in Sir Robin Butler's office.

**ALEX ALLAN** 

Ms Lynne Sheasgreen Department for Education

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# 10 DOWNING STREET LONDON SW1A 2AA

From the Principal Private Secretary

5 May 1993

Dear Lynne

## KENNETH BAKER MP: ACCESS TO PAPERS

Thank you for your letter of 29 April. I attach copies of the records of the various meetings held at No.10 on the dates you requested. The only exception is the meeting on 6 June 1986, when no record was circulated.

I must say that I find it quite extraordinary if the DFE copies of these papers have been destroyed. They all take the form of letters from No.10 Private Secretaries to DFE Private Secretaries and I would have expected the top copies to be preserved: they record discussions of important policy proposals. If they have been destroyed, should you not institute a review of your arrangements for preserving records?

I leave it to you to arrange for Mr Baker to see these papers: some of them remain classified and even though there may well be a case for reducing the classification now given the passage of time, I do not think it would be appropriate for me to send them direct to Mr Baker.

I am copying this letter to Mike Sweet in Sir Robin Butler's office.

**ALEX ALLAN** 

You some of Alex Allan

Ms Lynne Sheasgreen
Department of Education



## DEPARTMENT FOR EDUCATION

SANCTUARY BUILDINGS GREAT SMITH STREET WESTMINSTER LONDON SWIP 3BT DIRECT LINE 07I 925 6234 SWITCHBOARD 07I 925 5000 FAX 07I 925 584I GTN 3060

Alex Allan, Esq 10 Downing Street LONDON SW1

Aler at attack & 93
Please could yn dig
out copies of the attacked
papers of let me see them.

Dear for age

Kenneth Baker, MP: Access to Papers

You may know that Mr Baker is in the process of writing his memoirs.

He has requested and seen certain Cabinet Office papers relating to his time in the Cabinet. This has been arranged with and by Mike Sweet in Sir Robin Butler's office.

Mr Baker has asked to see minutes of meetings held between the Prime Minister, Mr Baker (as Secretary of State for Education) and other Cabinet members. These meetings occurred between 1986 and 1987 and were about Reform of the Education Service.

We discovered that our Secretariat here doesn't keep certain papers longer than 18 months. We have spoken to two ex-Private Secretaries to Mr Baker from that time and they have no recollection of what might have happened to the papers from this series of meetings. Because of the nature of the meetings, the papers are unlikely to live on archived policy files.

It has been suggested that as the matters are educational, we get in touch with you and Number 10 to request that Mr Baker see the minutes of these meetings. List attached. Could you please let me know if this can be arranged.

I am copying this letter to Mr Baker and to Mike Sweet in Sir Robin Butler's office.

Lynne Sheasgreen

Permanent Secretary's Office

Jems sincerels



## List of Minutes Requested by Mr Kenneth Baker, MP

Education - Changing Public Perceptions - PM, LP, SS/DES

22 September 1986 CTCs
Whitelaw, Lawson, Hurd, Edwards, Tebbit,
Ridley, Young, MacGregor, Rifkind

24 September 1986 Education without LEAs
Chancellor and SoS - Environment

25 November 1986 Future of Polytechnics
Ch of Ex, DoE

17 December 1986 / Education Reforms
Chancellor and Environment

18 January 1987 Future of Polytechnics Ch of Ex, DoE, PUS DES

25 February 1987 Reform of Education: Better Schools LP, S/S Wales, S/S Scotland, Ch Sec, S/SDoE





file pps1 burns. 8M

# 10 DOWNING STREET LONDON SW1A 2AA

From the Principal Private Secretary

28 April 1993

## LORD LAWSON'S AND LADY THATCHER'S MEMOIRS

Thank you for showing me the Treasury papers relating to the cut in interest rates on 17 May 1988. I have, I think, pieced together the sequence of events, and have sent the attached letter to Nigel Lawson.

**ALEX ALLAN** 

Sir Terence Burns

M



## 10 DOWNING STREET

[file copy: top sent by fox]

From the Principal Private Secretary

27 April 1993

Dear Nigel

As I said on the phone, the Treasury have now dug out the relevant papers, including the various drafts of the line for the Prime Minister to take at Questions.

First, I have established that the meeting between you and the Prime Minister definitely took place on the Monday night, from 8.15 to 9.15; there was no Number 10 private secretary present. The markets meeting took place on the Monday morning, before you saw the Prime Minister. I am sorry I did not spot this when you showed me the manuscript of your book.

Second, there was no letter from me to Paul Gray saying that you proposed a ½ per cent cut in interest rates. But I have established that I did brief Paul Gray, and he may have written a note to the Prime Minister which she may have seen in preparing her book.

As you will see from the sequence of drafts attached, the provisional 'decision' to cut interest rates clearly became a good deal less firm during the course of that Monday. The original line I drafted assumed an interest rate cut; this was amended to be two alternative drafts depending whether or not interest rates were cut; and the final version you took with you to the Prime Minister assumed interest rates would <u>not</u> be cut.

That is as far as the written record takes us. What follows is speculation. I suspect that what may have happened during the day was that you became convinced that it was more important to secure a strong form of words, including a reference to exchange rate stability, than to have the ½ per cent interest rate cut. You may well have discussed this with others (eg the Foreign Secretary?). So you went to the Prime Minister armed with an appropriate text and not intending to press a ½ per cent cut. Then, during the discussion, she may have brought up the subject up, knowing that it had been on the cards in the morning.

This is a rather muddled picture: I should be very ready to discuss with you. Once again, I am sorry not to have got this right when you showed me drafts.

ALEX ALLAN

Yous Mon

Lord Lawson of Blaby

## MONDAY 16 MAY 1988

Markets meeting, 10.30am

**PEM**: "From a domestic point of view there was a case for some tightening. However, from an exchange rate point of view there was a need to arrest sterling's rise. ... He therefore thought there was a case for a ½ per cent cut in interest rates within the next two days, as the basis for signalling a clear Government position on sterling".

TB: "Agreed with this assessment".

EG: "Markets ... accepted that interest rate cuts might have to be contemplated

for exchange rate management reasons".

Ch: "Summing up, the Chancellor said that, on balance, there seemed to be advantage in making a ½ per cent cut on Tuesday, to be followed by a clear agreed line to take for Prime Minister's questions. He would discuss this with the Prime Minister later in the day. But a final decision on the rate cut would depend on the state of the markets on Tuesday, and the interaction with the US trade figures would also have to be considered. The position would be reconsidered in the morning".

First version of line to take (drafted by AA)

"I agree with the Chancellor that we do not want to see any excessive or unsustainable rise in the exchange rate. That would be bad for British industry. And it would bring no long-term benefit to inflation.

"That is why our policy is to seek greater exchange rate stability, within the context of a sound monetary policy designed to ensure steady downward pressure on inflation.

"The recent rise in the exchange rate has tightened monetary conditions and that made a further interest rate cut appropriate. By responding in this way we reduce fluctuations in sterling while maintaining sound anti-inflationary monetary conditions."

Revised version prepared by PEM and TB

"[if interest rates are cut] The recent rise in the exchange rate has tightened monetary conditions and that made today's interest rate cut appropriate. By responding in this way we reduce fluctuations in sterling while maintaining sound anti-inflationary monetary conditions. I explained all this to the RHG after the Budget (17 March).

"[if no cut in interest rates] As I have tried to explain to the RHG before, the exchange rate plays an important part in the assessment of monetary conditions. The strengthening of sterling tightens monetary conditions and can be balanced by lower interest rates.

"I completely agree with the Chancellor that we do not want to see an excessive or unsustainable rise in the exchange rate. That would be bad for British industry. And it would bring no long-term benefit to inflation.

"We have to respond to developments in international markets [which are difficult to influence, let alone control. That is why our policy is to seek greater exchange rate stability in co-operation with other countries. That is all compatible with the policy, from which we have never deviated, of ensuring steady downward pressure on inflation."

Next version, based on NL manuscript amendments to PEM/TB draft, circulated by AA to PEM, TB, MCS, DCLP, PS/Gov for comment
"I completely agree with the Chancellor that we do not want to see an excessive or unsustainable rise in sterling. That would be harmful to British industry.

And it would bring no lasting benefit to inflation.

"[if interest rates cut] The recent rise in the exchange rate has tightened monetary conditions and made today's interest rate cut appropriate. By responding in this way we reduce fluctuations in sterling while maintaining sound anti-inflationary monetary conditions. I explained all this to the RHG after the Budget (17 March).

"[if interest rates not cut] Our policy remains to seek greater exchange rate stability, within the context of a sound monetary policy designed to ensure our fundamental objective of lower inflation."

Final NL version (noted "final as of 5pm" by AA)

"My Rt Hon Friend and I entirely agree that we must maintain a firm counter-inflation policy. We also agree that we do not want to see an excessive or unsustainable rise in sterling that would be harmful to British industry, without bringing any lasting benefit to the control of inflation.

"Our policy remains to seek greater exchange rate stability within the context of a sound monetary policy designed to secure our fundamental objective of lower inflation."

This was drawn up on the basis of an NL manuscript instruction:

"Alex: please let me have <u>final</u> version consisting of the above [ie NL manuscript of first para above] as para 1 and (X) [ie final para of earlier version] as para 2. <u>No</u> alternative version. (I will discuss interest rate changes orally, with <u>no</u> text)"

Version agreed with Prime Minister

Paul Gray to AA, 16 May: "I attach the form of words discussed earlier this evening by the Prime Minister and the Chancellor for use at Prime Minister's Ouestions tomorrow".

"My RHF and I entirely agree that we must maintain a firm monetary policy and a downward pull on inflation. Indeed, I totally agree with all my RHF's Budget speech - every bit of it. That is more than the RHG, the Leader of the Opposition, does.

"The RHG asks about exchange rate policy. It is part of total economic policy. But he will note that we have taken down interest rates x times in the last x months. In current circumstances, of course, this is meant to have a downward pull on the sterling exchange rate. We look at things regularly and use the levers available, as seems right in the circumstances.

"But it would be a great mistake for speculators to think at any time that sterling was a one way bet."

Amendments to that version

AA to Paul Gray, 17 May, sent a slightly amended version ("there are a couple of points where your draft does not reflect what was, I understand, finally agreed last night").

The substantive change was to amend the last two sentences of the second paragraph to read:

"This was clearly intended to affect the exchange rate. We use the available levers - both interest rates and intervention - as seems right in the circumstances."

Notes for supplementaries

NL manuscript comment on draft supplementaries: "AA: the first answer was based on the premise that she used the form of words we originally offered. Given the new form of words, an amendment is essential."

The amendment referred to was to substitute "There are no differences of any significance whatever [ie between the Prime Minister and the Chancellor]" instead of "I have already answered him on that".



## 10 DOWNING STREET

From the Principal Private Secretary

14 April 1993

Dear Terry

## LORD LAWSON'S AND LADY THATCHER'S MEMOIRS

Nigel Lawson rang me up over Easter about the circumstances leading to the cut in interest rates from 8 per cent to 7.5 per cent on 17 May 1988. His version of events is as set out on pages 835-837 of his book.

Word has reached him that Lady Thatcher's version of events is somewhat different: that he proposed on the Monday that interest rates should be cut and that this was what was then agreed at a meeting on Monday evening.

I am conscious of the rather tricky issue of proprieties raised in trying to resolve this in one direction or the other. It is clear that it will become quite a focus of debate when Lady Thatcher's memoirs are published in the Autumn. We certainly should not get involved in briefing in favour of one side or the other. But it does seem to me that we can reasonably try to sort out the facts and that we can let Lord Lawson know what facts he could reasonably have gleaned from a study of Treasury files and other sources available to him (and corrspondingly for Lady Thatcher).

The first point is when the meeting with the Prime Minister took place: on the Sunday (as in Lord Lawson's book) or on the Monday. When I was talking to Nigel Lawson on the phone, my unprompted recollection was that it was on the Monday evening: I have no recollection of being summoned in from Hampshire, which would have been unusual. I have now checked the Number 10 back diary and this confirms that the meeting was from 8.15pm to 9.15pm on Monday 16 May. I should have picked this up when we were checking the draft of Nigel Lawson's memoirs - I am not sure how it slipped through.

This means that the markets meeting was held <u>before</u> he came to see the Prime Minister. This is confirmed by a note from Paul Gray to the Prime Minister written in the course of Monday: this says that the Chancellor would be advocating a half per cent cut in interest rates plus an agreed form of words for use at Question Time which would say that the Government did "want to

th

see some greater exchange rate stability". I should be most grateful if you could check this against the record of the markets meeting: I would not want to reveal to Nigel Lawson that I had consulted Number 10 files.

Nigel Lawson said that Lady Thatcher's memoirs would say that his private secretary (ie me) had written to hers on the Monday proposing an interest rate cut. There is no record of such a minute in Number 10's files and I presume this has got garbled somewhere in the transmission and is a reference to Paul Gray having written her a note after speaking to me. Lady Thatcher will, of course, have seen Paul Gray's minute again when preparing for her book.

There is nothing more on Number 10 files beyond a letter from Paul Gray to me attaching the form of words that was agreed at the Monday evening meeting; this will be on Treasury files too. My memory of exactly what happened is a bit hazy: I recall a draft form of words being prepared after the markets meeting which I then helped Nigel Lawson to revise before he saw the Prime Minister (versions of these may be in Treasury files or in the Chancellor's office). I well remember waiting in the Number 11 flat for him to return from Number 10 that evening, and that he came back with the agreed form of words, not sure if he'd done the right thing. He certainly referred to a debate with the Prime Minister about whether to have a stronger form of words with no interest rate cut, or the package that was eventually agreed. It seems that the bargaining must have been over sticking to the form of words he had come with (ie with an explicit reference to exchange rate stability) and dropping the interest rate cut, or moving to the modified draft proposed by the Prime Minister and retaining the interest rate cut.

Perhaps we could discuss when we next meet.

ALEX ALLAN

Sir Terence Burns, HM Treasury Y SWYDDFA GYMREIG GWYDYR HOUSE

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FROM THE PRIVATE SECRETARY TO THE SECRETARY OF STATE FOR WALES

Pine Minster 4 FROM T Only comment vereited to fr. And March 1993

CONFIDENTIAL

Ha Mer,

MINISTERIAL MEMOIRS

Thank you for sending me a copy of your letter to Joan Bailey of 15 February 1993 asking if Ministers had comments on the Lord Privy Seal's minute of 11 February.

The Welsh Office was a little concerned by the suggestion that particular attention should be paid to materials affecting Ministers and officials still in office, in the sense that we would not wish to see any let-up in the pressure on former Ministers and former civil servants to maintain confidentiality about each other. We have no other comments.

I am sending copies of this letter to Joan Bailey (Lord Privy Seal's Office); to Private Secretaries to Cabinet Ministers; to Juliet Wheldon and Murdo Maclean, and to Melanie Leech.

MISS J C SIMPSON

Your Frank

Alex Allan Esq No 10 Downing Street LONDON SW1A 2AA CONFIDENTIAL PPA/Ariainstevial.



# 10 DOWNING STREET LONDON SWIA 2AA

From the Principal Private Secretary

15 February 1993

Dear Joan

## MINISTERIAL MEMOIRS

The Prime Minister was grateful for the Lord Privy Seal's minute of 11 February on Ministerial Memoirs.

He is content with the proposals set out in the Lord Privy Seal's minute subject to any comments from Cabinet colleagues.

I am copying this letter to the Private Secretaries to Cabinet Ministers, to Juliet Wheldon (Law Officers' Department), Murdo Maclean (Chief Whip's Office), and Melanie Leech (Cabinet Office).

**ALEX ALLAN** 

Your Alas

Mrs Joan Bailey Lord Privy Seal's Office

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ORIVY ST

Prime Ministe () I
This is as agreed. I
shall minute but saying your
are content subject to any
comments from Calmet albeagues.
Content? Mar

PRIME MINISTER

At your request I have been considering, together with the Lord President of the Council and the Chancellor of the Duchy of Lancaster and the Cabinet Secretary, the conventions on Ministerial and official memoirs. This follows a proposal by the Cabinet Secretary that we should look again at the "Radcliffe Rules" in the light of the greater openness of today. A summary of the existing conventions is attached.

MINISTERIAL MEMOIRS

Most former Cabinet Ministers writing their memoirs submit manuscripts to the Cabinet Secretary, and in cases involving national security and international relations it has invariably been possible to reach agreement with an author about the text. Difficulties have increasingly arisen, however, in cases where the Cabinet Secretary has offered views on the treatment of confidential relationships. This, of course, reflects the changing attitudes to disclosure of the business of Government, as well as the economic pressures from publishers and newspapers buying serialisation rights for revelations in Ministerial memoirs. But if it becomes more widespread then it must throw serious doubts over the value of the conventions as it is well known (for example by reference to Questions of Procedure for Ministers) that Ministers are expected to observe the Radcliffe principles.

#### Relevance of the Conventions

We have concluded that there should continue to be conventions governing Ministerial and official memoirs. There <u>must</u> be procedures for establishing whether memoirs would give rise to national security and international relations concerns. There is also a continuing need to preserve a confidentiality rule in some form. It would be unfortunate if frank discussion in Government between Ministers and with officials were inhibited because of concerns about subsequent disclosure. We concluded however that the application of the conventions should be modified so that in future the Cabinet Secretary's examination of texts should focus on material which is <u>destructive</u> of confidential relationships, and particularly on material affecting Ministers and officials still in office. In this way references to personalities and even to differences of view would be permitted, but not disclosures which might damage Ministers or officials, particularly those still in office, in their work.

#### Access to Papers

Observance of the present guidance is voluntary and we considered whether Ministers should be asked formally to give an undertaking on joining a Government that they would observe the Radcliffe conventions as a condition of later access to papers. We concluded that this would be heavy handed, and in practice unenforceable. There is no right however for former Ministers to have access to their official papers although there is a convention that there should be given such access. We concluded that in future the request by a former Minister for access to Departmental and Cabinet papers should be granted on a more explicit understanding, but not a written undertaking, that the conventions and procedures recommended by Radcliffe are followed. These conventions will be highlighted in the letter which the Cabinet Secretary writes to Ministers on their appointment and on leaving office.

## The period of protection of confidential relationships

We considered whether there should be a reduction in the period of 15 years during which Radcliffe concluded that an author should regard himself as bound by the rules of confidentiality governing internal discussions. The main justification for a restraint period is to ensure that the reputations of Ministers and civil servants are not damaged, particularly while they continue to serve in that capacity. Any change in the current 15 year rule would necessarily be arbitrary, and there did not seem to us to be any justification for making a change. The more rigorous confidentiality test, focussing on matters destructive of relationships, means that the 15 year rule will be a diminishing constraint.

#### Arbitration

We considered whether it might be helpful to appoint a Committee of Privy Councillors to adjudicate in cases of disagreement between the Cabinet Secretary and a former Minister. We agreed however that such a procedure could prove excessively bureaucratic and that the present arrangements give a degree of flexibility, providing for reference to the Prime Minister in such cases, allowing you either to bring your influence to bear, or leave the matter to the Cabinet Secretary - or perhaps an appropriate colleague - to deal with.

### Conclusion

Unless colleagues wish to raise any objections to these proposals, I suggest that this minute should form the formal record of our conclusions about the application of the Radcliffe principles and that the Cabinet Secretary should be guided accordingly. Similar principles should be applied to memoirs by former officials.

I am copying this minute to Cabinet colleagues, the Attorney General, the Chief Whip and the Cabinet Secretary.

John

WAKEHAM

11 February 1993



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## 10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

2 February 1993

## **MINISTERIAL MEMOIRS**

The Prime Minister was most grateful to the Lord Privy Seal for chairing a meeting to discuss this subject and for his minute of late January. He has also seen the Foreign Secretary's minute of 29 January.

The Prime Minister is content with the recommendations in the Lord Privy Seal's minute. He would be grateful if the Lord Privy Seal could minute Cabinet colleagues proposing this revised approach. Please could you consult the Cabinet Office about how this should best be done: the Prime Minister does not feel it is necessary to have this as a formal item on the Cabinet's agenda.

I am copying this letter to Jennie Rowe (Lord Chancellor's Office), Richard Gozney (Foreign and Commonwealth Office), Joan MacNaughton (Home Office), Dugald Sandeman (Lord President's Office), Andrew Cahn (Chancellor of the Duchy of Lancaster's Office) and Melanie Leech (Cabinet Office).

ALEX ALLAN

Mrs Joan Bailey Lord Privy Seal's Office

4



PM/93/004 Prime Minister

## Ministerial Memoirs

- 1. I was interested to see John Wakeham's minute to you of late January.
- 2. Although John Wakeham has advised against reducing the period of restraint to less than fifteen years, he has endorsed what was for me the most important point: that restraint should only have to apply to matters affecting national security or our relations with other countries, and material which would be <u>destructive</u> of confidential relations between Ministers and officials.
- 3. I am therefore content with what John Wakeham proposes.
- 4. I am copying this minute to the Lord Chancellor, the Home Secretary, the Lord President, the Chancellor of the Duchy of Lancaster, the Cabinet Secretary and to Lord Wakeham.

9H

Douglas Hurd

Foreign and Commonwealth Office 29 January 1993



### PRIME MINISTER

### MINISTERIAL MEMOIRS

At your request I chaired a meeting on 21 January to discuss the draft paper circulated earlier this month by the Cabinet Secretary on Ministerial memoirs which there was insufficient time to consider at your meeting on 13 January. The Lord President of the Council and the Chancellor of the Duchy of Lancaster were present at the discussion, together with the Cabinet Secretary. This minute reflects our conclusions.

#### Background

You will recall that the Cabinet Secretary's paper invited Ministers to consider whether the conventions governing Ministerial memoirs should be modified to take account of recent developments. Similar conventions govern memoirs by former officials and what goes for one group ought to go for the other.

Most former Cabinet Ministers writing their memoirs submit manuscripts to the Cabinet Secretary, and in cases involving national security and international relations it has invariably been possible to reach agreement with an author about the text. Difficulties have increasingly arisen, however, in cases where the Cabinet Secretary has offered views on the treatment of confidential relationships. This, of course, reflects the changing attitudes to disclosure of the business of Government, as well as the economic pressures from publishers and newspapers buying serialisation rights for revelations in Ministerial memoirs. But the Cabinet Secretary's concerns about developments came to a head on the publication of Nigel Lawson's memoirs. Nigel submitted a manuscript to him, but was not prepared to accept a significant number of suggestions. Neither did he notify his intentions, so that it was not possible to consult you on the matter. Moreover, parts of Nigel's account disclose exchanges with others, including Lady Thatcher and senior Treasury officials, particularly on decisions made by him as Chancellor which have subsequently been criticised. If this approach became more widespread serious questions would be asked about the value of the conventions; it is well known, for example by the reference in the recently published Questions of Procedure for Ministers, that Ministers are expected to observe the Radcliffe 'rules'.

#### Relevance of the Conventions

I am clear that there should continue to be conventions governing Ministerial and official memoirs. There must be procedures for establishing whether memoirs would give rise to national security and international relations concerns. I also believe a confidentiality rule remains justified. It would be unfortunate

CONFIDENTIAL

if frank discussion in Government between Ministers and with officials were inhibited because of concerns about subsequent disclosure. Discussion in memoirs about personal relationships is always potentially embarrassing, but the real mischief, as the Foreign Secretary points out in his minute of 18 January to the Cabinet Secretary, is the publication of material which is destructive of confidential relationships. I recommend that the conventions should be modified so that in future it should be this aspect on which the Cabinet Secretary's examination of texts focuses. In this way references to personalities and even to differences of view would be permitted, but not disclosures which might damage Ministers or officials, particularly those still in office, in their work.

What does this mean?

### Access to Papers

I do not consider that Ministers should be asked formally to give an undertaking on joining a Government that they would observe the Radcliffe conventions as a condition of later access to papers. This would be heavy-handed, and in practice unenforceable. Some changes in the current procedures for granting access to papers would, however, be valuable in encouraging former Ministers to take heed of the Cabinet Secretary's advice.

There is no right for former Ministers to have access to their official papers, although there is a convention that they should have such access. There is a case, therefore, for such access being given on the explicit understanding - not, I suggest, on written undertaking - that the conventions will be observed. This would certainly put former Ministers under a greater obligation of honour to observe the conventions and to give an opportunity for any points of dispute to be referred to you.

It would also be helpful if these obligations were highlighted in the letter which the Cabinet Secretary writes to Ministers on their appointment and on leaving office.

#### The Restraint Rule

As to the 15 year rule, the Foreign Secretary has suggested a modification to 5 years. In my view the main justification for a restraint period is to ensure that the reputations of Ministers and civil servants are not damaged, particularly while they continue to serve in that capacity. Against this background, I would not recommend a change to the 15 year rule. Any change would have to be arbitrary. And we have to bear in mind that the present Government has now served for 14 years, and some of us have been Ministers for most or all of that time. Moreover, with a more rigorous confidentiality test a 15 year rule would be a diminishing constraint.

### Arbitration

The Foreign Secretary also suggested it might be helpful to appoint a committee of Privy Councillors to adjudicate in cases of dispute between the Cabinet Secretary and a former Minister.

Although I see the thought underlying this suggestion, I do not support it. Such a procedure could prove excessively bureaucratic and I am not convinced that the judgement of such a body would necessarily be accepted by authors. Moreoever, many senior Privy Councillors are themselves former Ministers and, since the committee would presumably need to be all-party to cover memoirs written following a change of government, we could create new tensions. The present arrangements also provide a degree of flexibility, so that the Prime Minister may choose not to bring his influence to bear, leaving the matter to the Cabinet Secretary or perhaps another appropriate colleague - to deal with. This seems to me a sensible safeguard.

#### Announcement

If we are simply asking the Cabinet Secretary to take a more relaxed view of disclosures which are not destructive of relationships within Government and to seek a firmer understanding with authors when they seek access to papers, and we are not shortening the period to which the conventions apply, this does not seem to me a sufficient change in policy to require an approuncement.

#### Conclusions

In summary, I recommend:

- a. that should continue to be conventions governing the publication of Ministerial and official memoirs;
- b. that the Cabinet Secretary should in future limit his comments to matters relating to national security and the preservation of international relations, and to material which would be destructive of confidential relationships, particularly those affecting Ministers and officials still in office;
- c. that a request by a former Minister for access to departmental papers should be granted on a more explicit understanding, not a written undertaking, that the conventions and procedures recommended by Radcliffe are followed;
- d. that the Cabinet Secretary should reflect those conventions in the letter which he writes to Ministers on entering and leaving office;
- e. that the period of restraint should remain at 15 years.

On this basis <u>only</u> detailed changes to the application of the Radcliffe principles would be required, and would not in my view require a public announcement.

If you are content, I would be happy to minute Cabinet colleagues proposing this revised approach.

I am copying this minute to the Lord Chancellor, the Foreign Secretary, the Home Secretary, the Lord President, the Chancellor of the Duchy of Lancaster and the Cabinet Secretary.

John .

WAKEHAM

Prome Menuto 4

From Menuto 4

To see. Will be for discussion at rest openness recting.

May 1.

FCS/93/001 CABINET SECRETARY

## Ministerial Memoirs

- 1. At the Prime Minister's meeting on openness on 13 January we did not have time to discuss changes to the rules on the publication of Ministerial memoirs. I offer three thoughts for you and others to consider in the renewed discussion.
- We had a word about this before Christmas. I have considerable sympathy with points which you have been making on paper and in informal discussion, but:
- a) the existing Radcliffe Rules refer to the need to avoid the publication of material which would be "destructive" of confidential relationships. I would underline the word "destructive" which indicates that the intention is only to stop the publication of material which goes a good deal further than merely embarrassing those involved or bruising the relevant relationships between officials and Ministers. In other words, the sort of gossip about personalities which many autobiographers include should not fall foul of the existing rules;
- b) I believe there is an important distinction between an autobiography revealing exchanges between politicians and the book revealing exchanges between Ministers and their officials. If an autobiographer discloses advice



given to him by his officials when he was a Minister clearly that could be damaging to the official concerned, especially if he is still at work in the Department concerned. The same does not apply to the revelation of exchanges between two Ministers;

- c) the new proposal which you make, that Ministers should only have access to their Ministerial papers if they agree to abide by amended Radcliffe rules, is quite severe if it is to be enforced.
- 3. To my mind these three points are quite strong arguments in favour of relaxing the present rules so that former Ministers are precluded from revealing only the last five years of their work. The judgements to be made under the amended rules are likely to be difficult as well as important. It seems rather a lot to expect the person in your position, as Cabinet Secretary of the day, to take on this job on his or her own. Would it not be better to invoke in cases of difficulty, say, a trio of wise men, perhaps Privy Councillors?
- 4. I am copying this minute to those who attended the openness meeting.

DH

Douglas Hurd

Foreign and Commonwealth Office 18 January 1993



SUBJECT CILLE MASTER

AL

Filed on:

10 DOWNING STREET
LONDON SWIA 2AA

From the Principal Private Secretary

Copied to: HOME AFFAIRS : Privacy.

& MEMOIRS: MINISTERIAL
MONDIN

13 January 1993

Dear Jenne

## OPENNESS: THE CALCUTT REPORT; MINISTERIAL MEMOIRS

The Lord Chancellor was present at a meeting chaired by the Prime Minister today which discussed openness in Government, the report by Sir David Calcutt on press behaviour and the rules on ministerial memoirs. The meeting was also attended by the Secretary of State for Foreign and Commonwealth Affairs, the Secretary of State for the Home Department, the Lord Privy Seal, the Lord President of the Council, the Secretary of State for National Heritage, the Secretary of State for the Environment, the Chancellor of the Duchy of Lancaster, the Chief Secretary, Treasury, the Chief Whip and Sir Robin Butler.

No further copies should be made of this letter, and it should be made available only to other Ministers and officials with a strict need to know of its contents.

## **OPENNESS**

The meeting had before it the draft Cabinet paper attached to the letter of 6 January to me from the Private Secretary to the Chancellor of the Duchy of Lancaster.

The Chancellor of the Duchy of Lancaster said that the Manifesto had included commitments to greater openness. There was a widespread expectation that the Government would go further in exposing the workings of Whitehall than the useful steps which had already been taken of publishing the details of Cabinet committees and Questions of Procedure for Ministers. It would be necessary to retain controls on the release of certain categories of information, for example to protect national security. He proposed, however,

that the Croham principle - that factual and analytical information prepared within Government should normally be made available - should be reaffirmed; and that it should be backed by the appointment of a commissioner, who would examine cases where departments had refused to provide such information and make recommendations. In such cases, decisions on the release of information would remain a matter for Ministers. As an official of Parliament, the commissioner's work would not be subject to judicial review. The Chancellor proposed that there should be an absolute right to information on personal matters and on health and safety. Access to information in these areas. alongside environmental information which would in any event be made available under a European Community directive, was a main focus of attention of the Freedom of Information lobbies, and a general right of access would do much to defuse criticisms. There would also be advantages in a substantial relaxation of the rules on release of public records, on which the Lord Chancellor's Department had conducted a review. Mr. Mark Fisher's Private Member's Bill on Freedom of Information was shortly due for a Second Reading. In handling the Bill it would be important to be able to make clear the Government's own proposals. This might best be done by the publication of a White Paper in advance of the Second Reading debate.

In discussion the following main points were made.

Handling of the Fisher Bill. Although a previous Private Member's Bill on similar lines had been defeated at Second Reading through the use of a three-line whip, this was a highly unusual procedure. A more appropriate arrangement would be not to oppose at Second Reading, but to ensure that no further progress was made. In view of Mr. Fisher's position in the ballot there was little likelihood that the Bill would reach the Third Reading stage, and virtually none that it would complete it. A whip against the Bill on a Friday would be unpopular with Government backbenchers, particularly against the background of the Maastricht debate; some Government backbenchers were in favour of Mr. Fisher's approach, and success could not be guaranteed. There might be advantages in publishing the White Paper after Second Reading. The White Paper would inevitably be subject to criticism. If it were published and the Fisher Bill subsequently secured a Second Reading, that would be taken as a signal that the Government supporters were hostile to the White Paper proposals. Publication of the White Paper on the Government's own terms after Second Reading would be preferable.

- b. Access to personal files. The existing rights in relation to computerised files had not caused significant problems and officials judged that it would be practicable to extend the right to manual records. Experience overseas had shown that enquiries on personal files were the most numerous and least costly to handle. Personal files held by local authorities were already open to access in relation to housing and social services, but there was a case for widening this arrangement; it would, though, be of benefit to allow some time for consultation with local authorities. It would be important to construct suitable exemptions for confidential information held by the Police and Security Services in order, for example, to protect informants. Exemptions would also be required to protect information which was commercially sensitive. It had proved possible to provide for exemptions in these and other similar categories in other countries. A subsidiary issue was whether there should be access to civil service personnel files; there was no proposal that such access should be allowed in the private sector, and some concerns were expressed whether this was necessary or desirable in the civil service.
- c. <u>Health and Safety</u>. Freedom of access to information on health and safety appeared to be workable. There might be some resistance from the Health and Safety Executive, but in general there was little opposition from Government Departments. It would be difficult to offer less in this area than would be available under the European Community directive on access to environmental information. There were, however, some concerns about the potential impact on the deregulation initiative.
- d. Reaffirmation of the Croham rules backed by the appointment of a Commissioner. The distinction between factual and analytical material and other policy advice was not clear. Even in relation to analytical material, there could be problems, since departmental analysis frequently concentrated on the risks and disadvantages of new policy proposals. If the rules were now to be policed and enforced by a Commissioner, there was a risk that he would feel it necessary to display his independence by insisting that information which the Government regarded as sensitive should be revealed. There could be problems in relation, for example, to analytical work which had been carried out to assess the compatibility of Local Government finance totals with new burdens imposed on local authorities, the scale of housing needs, and the number of 16 to 18 year olds who were unable to obtain training places or to receive benefit. Although such material could in principle already be brought into the public domain through carefully constructed Parliamentary Questions, the

new procedures would make it easier for lobby groups to pursue their aims. Certain categories of information could affect economic behaviour if they were disclosed prematurely, for example estimates of the likely non-collection of the community charge. A very long list of exemptions to protect such information might give the impression that the Government was becoming more rather than less secretive. On the other hand, it could be argued that the policy was right in terms of improving the quality of democracy and would make the Government's task easier rather than more difficult. Similar arrangements in relation to the Parliamentary Commissioner for Administration had not proved unduly troublesome. And the deliberate release of information was much to be preferred to haphazard and partial leaks. The arrangements would provide a useful discipline to those working in policy areas. It was preferable to take arguments head-on rather than to appear to rely on excessive secrecy to protect the Government from close examination. There might be an increase in requests for information, but it was envisaged that the costs would be absorbed. As with Parliamentary Questions, requests could be turned down on the grounds that they would lead to excessive expense.

- e. The reviews of existing statutory restrictions and criminal sanctions which had been undertaken had shown that existing arrangements were in the great majority of cases justified on grounds which would be readily understood, for example protecting information provided by taxpayers.
- f. The criteria for releasing public records had now been reviewed and a final report was expected shortly. If acceptable, recommendations might be included in the White Paper. The compatibility of the detailed proposals with general policy on openness would need to be examined. This was a promising area for progress, particularly if there could be substantial releases of less sensitive material.

The <u>Prime Minister</u>, summing up this part of the discussion, said that the Manifesto included a commitment on greater openness and he wanted to see appropriate steps taken to implement that commitment. But, against the background of the Fisher Bill, it was all too likely that any proposals put forward by the Government would be held to be inadequate. The Chief Whip had advised that it would be undesirable to oppose the Fisher Bill at Second Reading, particularly since the Government might not win the vote; but that it was possible to ensure by other means that it would not reach the Statute Book. There was no compelling need to reach final decisions quickly, and it would be preferable not to publish a White Paper before Second Reading. This would

allow time for collective ministerial consideration of the issues at a further meeting. The Chancellor of the Duchy of Lancaster could say on Second Reading of the Fisher Bill that the Government was studying the issue of increased openness and would bring forward its own proposals. The meeting had concluded that the recommendations on access to personal and health and safety information were acceptable, though the details would need further careful consideration. The broad recommendations for reaffirmation of the Croham rules backed by the appointment of a Commissioner would require further discussion. The meeting noted that little would be achieved by revision of statutory restraints on disclosure or changes in criminal sanctions. On release of public records, the Lord Chancellor and the Chancellor of the Duchy of Lancaster should prepare a further paper, describing the options and the nature of the documentation to be covered. Substantial progress in this area would be of great benefit in relation to the acceptability of the overall package on openness. The Chancellor of the Duchy of Lancaster should also consider whether problems were emerging in relation to different departmental interpretations of the regulations on environmental information.

#### THE CALCUTT REPORT

The meeting had before it a minute dated 11 January from the Secretary of State for National Heritage to the Prime Minister on press self-regulation.

The Secretary of State for National Heritage said that in normal circumstances, when the Government received a report of this nature, it would reflect on its recommendations and would then publish it alongside a full statement of policy. However, in view of the press' direct interest in the subject, there was intense pressure to publish quickly. He had received the report on Friday and written to colleagues with his views on the response on the following Monday. The Guardian had now published a public opinion poll which had shown that there was particularly strong support for legislation against physical intrusion of privacy. On the central issue of regulation of the press, the comments of Lord Waddington when Home Secretary had given the impression that if the operation of voluntary self-regulation proved unsatisfactory, it would lead on to statutory measures; Sir David Calcutt was now recommending strongly that such action should be taken. However, there was no categorical commitment by the Government to proceed in this way. Consultation on the proposal need not be seen as a weakening of Government resolve and would give an opportunity to examine the implications in greater depth. It would be preferable for the press to put their own house in order; and a refusal to rule out legislation would provide an incentive for them to do so. It would be difficult to remain completely silent on the recommendations of the report for long, though the Select Committee on National Heritage had asked

him to avoid making firm commitments before they had completed their report on this matter. Mr Clive Soley's Bill was due for a Second Reading debate on 29 January and might well proceed to committee. The Secretary of State had it in mind to attend the committee proceedings himself in order to demonstrate the importance which the Government attached to these matters.

In discussion, the following main points were made.

- a. It might be preferable for the Secretary of State to announce the Government's position in a written Parliamentary Answer. It would be difficult to handle an Oral Statement if it had little content. On the other hand a Written Answer might give the impression that the Government was not treating the subject with the seriousness it deserved and could lead to pressure from backbenchers for an oral statement.
- b. Although there was in fact a broad consensus among Ministers about the approach to be adopted, if a statement were delayed, the press would seek to argue that there were differences between members of the Cabinet. It would be important to establish a clear common line quickly.
- c. There was a great deal to be said for the Government making a commitment now to implement the proposals on the creation of new criminal offences and to consider the creation of a new privacy tort, the relevance of the Protection of Data Act 1984, and the adequacy of legislation governing interception of communications. The protection of individual privacy was a sound general principle and would be widely welcomed.
- d. The behaviour of the press had become increasingly unscrupulous. However, the imposition of statutory regulation, even if the relevant body was independent of Government, was not necessarily attractive. It could be argued that the Calcutt report was not sufficiently authoritative to justify such a major step.
- e. If a new tort was to be created consideration should also be given to means of enabling the ordinary citizens to take advantage of it. The use of summary proceedings to reduce the cost of legal action might be a possible approach.

f. There was much to be said for publication on 14 January, together with a statement of the Government's position. The House of Lords was not sitting on that day and that created some awkwardness. But it would be difficult not to make the announcement by means of an oral statement in the Commons.

The Prime Minister summing up the discussion, said that there was general agreement that the report should be published on Thursday 14 January. The meeting had concluded that a statement of the Government's position at the time of publication was inevitable. On balance this should take the form of an Oral Statement rather than a Written Answer. The Statement should indicate that the Government proposed to accept the recommendation to create new criminal offences in relation to physical intrusion of privacy and would study the practicability of a new privacy tort, the application of the Data Protection Act to the press and the scope of the Interception of Communications Act. The Calcutt recommendations for a statutory tribunal were more problematical, but it would be difficult to say that the Government had no preliminary view; if the question were left entirely open it would be concluded that the Government could not make up its mind and a subsequent decision not to go ahead could be represented as a U-turn. The meeting had on balance decided that a statutory tribunal was not appropriate, but it would not be right to turn down the proposal completely. An appropriate middle way would be to indicate that the Government's initial inclination was not to accept the recommendation for a statutory tribunal, but that it would wish to see the report of the Select Committee before reaching a final decision. The Secretary of State for National Heritage should circulate a draft of the statement that evening and report the broad conclusions of the meeting to Cabinet on the following day.

#### MINISTERIAL MEMOIRS

The Prime Minister said that discussion of the issues relating to Ministerial memoirs would have to await the further meeting on openness. He invited the Lord Privy Seal to consider the issues in consultation with the Lord President and the Chancellor of the Duchy of Lancaster and to put forward recommendations.

I am copying this letter to Richard Gozney (Foreign and Commonwealth Office), Joan Macnaughton (Home Office), Joan Bailey (Lord Privy Seal's Office), Tim Sutton (Lord President's Office), Nicholas Holgate (Department of National Heritage), Alan Riddell (Department of the Environment), Andrew Cahn (Chancellor of the Duchy's Office), Peter Wanless (HM Treasury), Murdo Maclean (Chief Whip's Office), Peter Smith (Department of Trade and Industry) and to Melanie Leech (Cabinet Office).

Your Marc

**ALEX ALLAN** 

Miss Jennie Rowe Lord Chancellor's Office



### 10 DOWNING STREET

LONDON SWIA 2AA

Dea M. Bidger

12.1.92

#### LORD HOWE'S MEMOIRS

Thank you for your letter of 20 November, 1992. I apologise for not having replied sooner.

I enclose copies of the meeting records as requested. However, I should be grateful if you would be more specific on the following:-

- 1981 November Statement does this refer to the Autumn Statement which was made in December 1981?
- Budgets for 1980 to 1983 we have a series of files covering these Budgets. Are there any particular papers that Lord Howe requires?

If you would get back to me on the two points above, I will endeavour to let you have a reply as soon as possible.

MARK ROBERTS

your sicerely M. Blobert

Barbara Budgen HM Treasury.

Encls.

CONERING SECRET

Ref. A093/26

#### PRIME MINISTER

# Ministerial Memoirs: Draft Cabinet Paper by the Secretary of the Cabinet

#### Decisions

- 1. This is the second item for the meeting of Ministers at 9 am on Wednesday 13 January, preparing the ground for a possible discussion in Cabinet on 21 January. The purpose is to establish the attitude of senior Ministers to the questions at the end of my draft memorandum, vis:
  - a Whether to reassert, modify or allow to lapse the Radcliffe "rules";
  - b If they are to be retained, whether the period of restraint on disclosure of confidential discussions within Government should be reduced from 15 years to 10, or even 5 and; if so, whether there should be an exception for disclosures involving Ministers still in office;
  - whether some "teeth" should be put into the conventions by asking Ministers in future to give an undertaking to observe the conventions, as a condition for access to the papers they saw in Government;
  - d Whether Ministers' conclusions should be announced.

It is right to consider this in the context of "openness": the question is how to protect what still needs to be protected.

Background

(\* The Chancelles of the Druhy's office curulated the paper intend removing the references to Lord Lawson, as you requested. This was a cook-up, but I have complained you requested. This was a cook-up, but I have complained

The Cabinet Secretary's scrutiny of Ministerial memoirs continues to fulfil a useful function, both to the Government of the day and to the memoir writers. As Annex B to my draft shows, most former Ministers submit their memoirs (Baroness Castle and Mr Benn were exceptions who did not). There is no difficulty about the first category of matters which I am required to check under the Radcliffe rules - amendments needed to protect national security or international relations: memoir writers invariably accept requests to make amendments under these headings. is an increasing difficulty - highlighted by Lord Lawson's memoirs - about amendments to protect confidential discussions within Government. There is strong pressure from publishers for "kiss and tell" material and some temptation for former Ministers to produce such material to justify their record. Increasingly these days, inside accounts of the more dramatic episodes in Government have become available at the time (eg Westland or Mrs Thatcher's resignation) and it is clearly difficult to restrain former Ministers from giving their own accounts. However, it should not be supposed that within this category the scrutiny has no effect: memoir writers often accept a majority of my suggestions (although Lord Lawson did not). But I sense that observation of this part of the conventions is slipping away. It is necessary to decide what we want to retain and to consider providing more leverage for enforcing what is still thought necessary.

#### Discussion

- 3. The points on which you will want to get your colleagues views are:-
  - In today's circumstances, is it necessary to have any rules at all and is the Cabinet Secretary the right person to advise on them? I hope that you and your colleagues will agree that some restraint is

necessary: certainly frank discussion in Government (including advice from officials) would be inhibited if there were none - and it is certainly necessary to have a scrutiny to protect national security and international relations. I suspect also that this is a burden which the Cabinet Secretary has to continue to bear, since he is the bridge between Ministers and officials: his role should continue to be advisory rather than mandatory - with the Prime Minister to provide a back-up if necessary.

- Should the rules be modified? Some of your colleagues - particularly the Foreign Secretary - may feel that officials' advice should be protected but that exchanges between Ministers should be fair game, or at least that the Cabinet Secretary should not have to advise on them. Again, I think that it would be damaging if there were no restraint on disclosure of exchanges between Ministers: if the convention was abandoned, you or any of your colleagues still in office would be at the mercy of (possibly aggrieved) former colleagues whose "revelations" the media would both encourage and exploit. The period could perhaps be shortened (although in my view 5 years is too short) and you may well feel that there should continue to be a convention giving protection to people still in office. (The latter was Lady Thatcher's suggestion: she was content to see the period shortened - which would of course affect her time as Prime Minister - but felt that Ministers still in office continue to need protection).
- Should enforcement be given more "teeth" by asking former Ministers to undertake to obey the conventions before they are given access to the papers they saw in Government? This need not be a heavy-handed arrangement, and I would hope that it would never be

necessary to enforce the undertaking by seeking to prevent the publication of a book (although this could be done in an extreme case). Nor would it be water-tight, since former Ministers might rely on diaries or their recollection. But, in the experience of those of us who have had to deal with these memoirs, it would be likely to have some effect since former Ministers do in general consult the papers extensively and are not likely to make allegations about former colleagues without being sure that the record backs them up.

#### An announcement

I think that it would be necessary to announce the Cabinet's conclusions on this matter, although such an announcement could be low key and it would not in my view be necessary to refer explicitly to the means of enforcement mentioned above. A draft of a written answer is attached to this brief.

#### Conclusion

7. Naturally, I hope that you and your colleagues will conclude that the package involving some shortening of the period of restriction on the disclosure of confidential exchanges, coupled with the means of exerting more leverage to have it respected, may be accepted. But in the light of the conclusions of your colleagues' discussion, you will no doubt want to ask me to modify the draft Cabinet paper, perhaps in the form of firm recommendations to Cabinet.

fe.R.B.

ROBIN BUTLER

11 January 1993

#### DRAFT ANNOUNCEMENT

- Q. To ask the Prime Minister whether the recommendations of the Committee of Privy Counsellors under Lord Radcliffe still apply to Ministerial and official memoirs.
- A. Yes. I believe that it is still necessary for former Ministers and officials, when writing their memoirs, to avoid disclosures which are damaging to national security or international relations or which, within a limited period, breach the confidence of internal Government exchanges. I shall be asking future memoir-writers to observe the principles laid down by Lord Radcliffe and his fellow Privy Counsellors. However, in one respect I think that the rules can be relaxed. With the agreement of my predecessor, I propose to reduce from 15 years to 10 years the period during which the Radcliffe Committee recommended that special restrictions should be applied for the purpose of protecting confidential relationships within Government.



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CP(93) January 1993 COPY NO

#### **CABINET**

#### MINISTERIAL MEMOIRS

Note by the Cabinet Secretary

The present conventions governing Ministerial memoirs are based on the recommendations of a committee under Lord Radcliffe which reported in 1976 following publication of the Crossman Diaries.

A summary of the conventions is attached at Annex A.

The Report recommended that former Cabinet Ministers should submit the manuscript of memoirs to the Cabinet Secretary. It imposed on the Cabinet Secretary, acting at the request and on behalf of the Prime Minister, two duties:

- (i) To have the manuscript examined in respect of national security and the preservation of international relations and to transmit any objections to the author. The author should have a right of reference to the Prime Minister but should accept the latter's decision as final.
- (ii) To offer views on the treatment of confidential relationships, in relation to events within the last 15 years. The author should pay careful attention to this advice but must take upon his own shoulders the responsibility of deciding what he is going to say. If he decides to publish material in spite of advice, he should let the Cabinet Secretary know so that before publication there may be time for the Prime Minister's own direct influence to be brought to bear, if the Prime Minister so wishes.

The majority of memoir writers submit their manuscripts. A list of those with which I have dealt since 1988 is attached at Annex B. There has been virtually no difficulty, in my experience, in

persuading memoir writers to accept amendments under the first heading above, ie relating to national security or damage to international relations. There has been an increasing reluctance to accept advice in relation to the second category relating to confidential relationships within Government.

The culmination of this trend was the recent memoirs of Lord Lawson. Lord Lawson departed from the Radcliffe recommendations in two main respects - he freely described internal discussions with the former Prime Minister and other Ministerial colleagues, including the views and arguments which they advanced, and he referred by name to officials, particularly in the Treasury and the Bank of England, describing the advice which they had given.

I offered Lord Lawson 268 comments, of which he accepted 94 and rejected 174. The Treasury also offered extensive comments on the accuracy of Lord Lawson's account.

The main categories of my amendments which Lord Lawson accepted were those which removed the names of officials, particularly less senior officials. He was unwilling to remove accounts of discussion with Ministerial colleagues. He did not follow Lord Radcliffe's recommendation of letting me know before publication which amendments he proposed to accept.

The conventions governing Ministerial memoirs are very much a matter for Ministers themselves. If, however, it became accepted that Ministers and officials had no protection against those who had just left government giving their own accounts of discussions and advice on recently current issues, the frankness with which the views would be expressed and advice offered would be greatly reduced. This is not a question of openness but of effectively protecting those exchanges which are not open.

The issue is whether the Radcliffe conventions should be reasserted, reasserted with modifications or allowed to lapse.

If they were to be modified, it may be thought that the period of 15 years during which Ministers and senior officials are debarred from giving an account of confidential discussions within government could be reduced to 10, or even 5, years. If the period is shortened, perhaps there should be an additional portection for Ministers still holding office, as there is for officials. If the

entions are reasserted, it is also for consideration whether they could be more effectively enforced, short of legislation. A means of strengthening reinforcement would be to make access to the papers which former Ministers saw in government conditional on their giving an undertaking - which the government could subsequently enforce if necessary - that they would observe the conventions. Since access to the papers is a privilege rather than a right, and the papers are the property of the government of the day, it would be open to make such an undertaking a condition of access by former Ministers.

#### Conclusion

I invite the Cabinet to decide:-

- a. Whether it wishes to reassert, modify or allow to lapse the Radcliffe recommendations that the Cabinet Secretary should give advice to memoir writers designed to protect confidential discussions with government for a period of 15 years.
- If they decide to modify them, whether the period of restraint should be reduced to
   10, or even 5, years; and whether there should be an additional protection for
   Ministers still in office.
- c. Whether former Ministers should in future be asked to give an undertaking to observe the conventions, as a condition for having access to the papers which they saw in government.
- d. Whether their conclusions on these matters should be announced.

Cabinet Office
January 1993



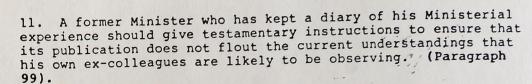
SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS IN THE REPORT OF THE RADCLIFFE COMMITTEE ON MINISTERIAL MEMOIRS (Cmnd.6386, JANUARY 1976)

- 1. The conventions currently governing the publication by former Ministers of memoirs and other works relating to their experience as Ministers were laid down in a statement made in the House of Commons on 1 August 1946 on behalf of the Prime Minister (Mr Attlee) by the Lord President of the Council (Mr Herbert Morrison). This was based on a memorandum by the Secretary of the Cabinet, Sir Edward Bridges, which Mr Attlee's Cabinet had approved. (Paragraphs 13, 14, 41, 42).
- 2. The conventions established in 1946 have been maintained under successive Administrations and the Committee do not recommend modification of the principles then advocated. They do however draw out of the conventions certain specific working rules; and make recommendations as to the administrative structure which should condition the clearance of an ex-Minister's intended memoirs. The conventions are to be regarded as concessions made to the author, rather than as restrictions imposed on him. (Paragraphs 19, 38, 43).
- 3. The author should be free to use his Ministerial experience for the purpose of giving an account of his own work, subject to restrictions on three separate categories of information:
  - 1. He must not reveal anything that contravenes the requirements of national security operative at the time of his proposed publication.
  - 2. He must not make disclosures injurious to this country's relations with other nations.
  - 3. He must refrain from publishing information destructive of the confidential relationships on which our system of government is based. In particular
    - a. In dealing with the experience that he has acquired by virtue of his official position, he should not reveal the opinions or attitudes of colleagues as to the Government business with which they have been concerned. That belongs to their stewardship, not to his. He may, on the other hand, describe and account for his own.
    - b. He should not reveal the advice given to him by individuals whose duty it has been to tender him their advice or opinions in confidence. If he wishes to mention the burden or weight of such advice, it must be done without attributing individual attitudes to identifiable persons. Again, he will need to exercise a continuing discretion in any references that he makes to communications received by him in confidence from outside members of the public.

c. He should not make public assessments or criticisms, favourable or unfavourable, of those who have served under him or those whose competence or suitability for particular posts he has had to measure as part of his official duties.

He may, however, regard the obligations concerned with confidential relationships (but not those concerned with national security and international relations) as lifted after the expiry of 15 years from the relevant events, though even beyond that point he should not reveal the advice tendered by individuals who are still members of the public services nor make public assessments or criticisms of them. (Paragraphs 45-47, 83, 85, 86).

- 4. These restrictions leave him a wide latitude for the writing of an account of his stewardship. (Paragraph 87).
- 5. The established principles of law do not provide a system which can protect and enforce those rules of reticence that the Committee regard as called for when ex-Ministers compose their memoirs of Ministerial life. (Paragraph 65).
- 6. Nor does legislation offer the right solution. (Paragraph 69).
- 7. There can be no guarantee that, if the burden of compliance is left to rest on the free acceptance of an obligation of honour, there will never be an occasional rebel or an occasional breach; but so long as there remains a general recognition of the practical necessity of some rules and the importance of observing them, the Committee do not think that such transgressions, even though made the subject of sensational publicity, should be taken as having shattered the fabric of a sensible system. (Paragraph 69).
- 8. A Minister on taking and leaving office should have his attention drawn explicitly to his obligations in relation to memoirs. (Paragraphs 71, 72).
- 9. A former Minister proposing to publish a work relating to his Ministerial experience should submit the manuscript to the Secretary of the Cabinet. (Paragraphs 73-77).
- 10. The Secretary of the Cabinet, acting at the request and on behalf of the Prime Minister, should have duties of two kinds in relation to such a manuscript. (Paragraphs 77, 78).
  - 1. To have it examined in respect of national security and the preservation of international relations and to transmit any objections to the author. The author should have a right of reference to the Prime Minister but should accept the latter's decision as final. (Paragraph 79).
  - 2. To offer views on the treatment of confidential relationships in the manuscript. The author should pay careful attention to this advice but must take upon his own shoulders the responsibility for deciding what he is going to say. If he decides to publish material in spite of advice from the Secretary of the Cabinet, he should let the Secretary know what he proposes to do so that before publication there may be time for the Prime Minister's own direct influence to be brought to bear upon the dispute, if the Prime Minister so wishes. (Paragraph 80).



12. Former members of the public services should be under thesame obligation as former Ministers to submit their manuscripts for scrutiny with regard to national security and international relations, and to defer to the judgement of those carrying the immediate responsibilities in these fields. In the matter of confidential relationships, the principles which the Committee enunciate concerning publications by ex-Ministers, the obligations which they suggest should rest upon them, and the periods for which those obligations should be maintained, should all be reflected also in the rules governing the publication of memoirs and other works relating to their official experience by former members of the public services. (Paragraphs 92, 93).

Cabinet Office

1976.



## List of Memoirs Since 1988

	File Ref	Date	
LORD RAWLINGSON'S MEMOIRS	112/62	19/1/88	- 21/3/88
THE WHITELAW MEMOIRS (LORD WILLIAM WHITELAW)	112/63	23/2/88	- 20/2/89
LIFE LINES (EDWINA CURRIE)	112/66	14/4/89	- 4/8/89
INSIDE THE HOUSE OF COMMONS (JOHN BIFFEN)	112/67	24/5/89	- 26/6/89
SIR NICHOLAS HENDERSON'S MEMOIRS	30/56	23/6/89	- 6/12/91
THE TIME OF MY LIFE (DENIS HEALEY)	112/68	28/6/89	- 11/10/89
MY FALKLAND DAYS (SIR REX HUNT)	30/58	6/9/89	- 19/3/90
THE MAKING OF ECONOMIC POLICY 1974-76 (EDMUND DELL)	112/70	23/10/90	- 6/12/90
NIGEL LAWSON'S MEMOIRS	112/72	16/1/91	- 13/6/91
KILL THE MESSENGER	30/59	5/3/91	- 10/5/91
DR DAVID OWEN'S MEMOIRS	112/73	10/5/91	- 10/6/91
MY STYLE OF GOVERNMENT - THE THATCHER YEARS (NICHOLAS RIDLEY)	112/74	15/5/91	- 11/7/91
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SIR KENNETH BLOOMFIELD: MEMOIRS	R26/1	8/4/92	- PRESENT
LORD HOWE'S MEMOIRS	R62/2	28/10/92	- PRESENT
LADY THATCHER'S MEMOIRS			







# 10 DOWNING STREET LONDON SWIA 2AA

From the Principal Private Secretary

MS GRAUBERG CABINET OFFICE

#### RADCLIFFE RULES

Sir Robin Butler's minute of 23 December sought the Prime Minister's agreement to the paper on Radcliffe Rules being circulated in Sir Robin's name as a basis for discussion at the meeting on openness, now fixed for next week.

In these circumstances, I was most disturbed to discover that the paper had been circulated by the Chancellor of the Duchy's Office before any response had been received from the Prime Minister. In fact, the Prime Minister has seen the paper and had asked that the three paragraphs relating to Lord Lawson's memoirs should be omitted so that the discussion focused on general issues rather than a particular case.

I see no point in withdrawing the paper now it has been circulated. But I should be grateful if, in future, you could ensure that, where the Prime Minister's agreement has been sought, it is obtained before papers are circulated.

I am copying this minute to Marcus Bell (Chancellor of the Duchy of Lancaster's Office).

ALEX ALLAN

6 January 1993

M

#### PRIME MINISTER

#### RADCLIFFE RULES

Robin Butler is not back in the office (from Mexico) until Monday. That makes it impracticable for you to have a word with him before a decision is taken about circulating his note on the Radcliffe Rules.

The options available are:

- do not circulate anything but perhaps take the (i) opportunity to ask Robin to raise the subject orally at the meeting on openness (now fixed for 9.00 a.m. on Wednesday);
- (ii) circulate Robin's paper, making it clear that this is a note by him which you will want to discuss. In this case, I could ask Robin's office to leave out the three paragraphs relating specifically to Nigel Lawson's memoirs.

Which would you prefer?

(11) plus 1.51

ALEX ALLAN

4 January 1993

Ref. A092/3637 MR ALLAN

Prome Ministo (1)

It seems a good idea to wouldte

this by discussion of the ad his meeting

on openness. Content?

Me

### Radcliffe Rules

At our bilateral on 14 December, the Prime Minister suggested that, subject to his talking to the Foreign Secretary and perhaps some other colleagues, the question of the Radcliffe rules on Ministerial memoirs might be raised at the same Cabinet which was discussing Openness in the New Year.

- I attach a paper which, if the Prime Minister agrees, could be circulated in my name as a basis for such a discussion.
  - Since our bilateral, it has been decided that Openness should be taken at an ad hoc meeting of Ministers before going to Cabinet. The Prime Minister might feel that this subject should also be taken at that ad hoc meeting. If so, this draft Cabinet Paper could be circulated for that purpose alongside a draft of the Chancellor of the Duchy's paper on Openness.
  - I am copying this minute and the enclosure to the Chancellor of the Duchy of Lancaster.

Alex/. This still looks odd agreend Openins + will bound teatry on Night Menous. FER.B. attention on Night Henous I favour a distriction between thia. direction + Official advise. .23 December 1992 feet reals view on that please. Ad the water wal with Robin helve, we cerulal there (if poss; if not place refor). TERIL

D R A F T Memoirs: DL

THIS DOCUMENT IS THE PROPERTY OF HER BRITANNIC MAJESTY'S GOVERNMENT

CP(93)
January 1993
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#### **CABINET**

#### MINISTERIAL MEMOIRS

Note by the Cabinet Secretary

The present conventions governing Ministerial memoirs are based on the recommendations of a committee under Lord Radcliffe which reported in 1976 following publication of the Crossman Diaries.

A summary of the conventions is attached at Annex A.

The Report recommended that former Cabinet Ministers should submit the manuscript of memoirs to the Cabinet Secretary. It imposed on the Cabinet Secretary, acting at the request and on behalf of the Prime Minister, two duties:

- (i) To have the manuscript examined in respect of national security and the preservation of international relations and to transmit any objections to the author. The author should have a right of reference to the Prime Minister but should accept the latter's decision as final.
- (ii) To offer views on the treatment of confidential relationships, in relation to events within the last 15 years. The author should pay careful attention to this advice but must take upon his own shoulders the responsibility of deciding what he is going to say. If he decides to publish material in spite of advice, he should let the Cabinet Secretary know so that before publication there may be time for the Prime Minister's own direct influence to be brought to bear, if the Prime Minister so wishes.

The majority of memoir writers submit their manuscripts. A list of those with which I have dealt since 1988 is attached at Annex B. There has been virtually no difficulty, in my experience, in

persuading memoir writers to accept amendments under the first heading above, ie relating to national security or damage to international relations. There has been an increasing reluctance to accept advice in relation to the second category relating to confidential relationships within Government.

The culmination of this trend was the recent memoirs of Lord Lawson. Lord Lawson departed from the Radcliffe recommendations in two main respects - he freely described internal discussions with the former Prime Minister and other Ministerial colleagues, including the views and arguments which they advanced, and he referred by name to officials, particularly in the Treasury and the Bank of England, describing the advice which they had given.

I offered Lord Lawson 268 comments, of which he accepted 94 and rejected 174. The Treasury also offered extensive comments on the accuracy of Lord Lawson's account.

The main categories of my amendments which Lord Lawson accepted were those which removed the names of officials, particularly less senior officials. He was unwilling to remove accounts of discussion with Ministerial colleagues. He did not follow Lord Radcliffe's recommendation of letting me know before publication which amendments he proposed to accept.

The conventions governing Ministerial memoirs are very much a matter for Ministers themselves. If, however, it became accepted that Ministers and officials had no protection against those who had just left government giving their own accounts of discussions and advice on recently current issues, the frankness with which the views would be expressed and advice offered would be greatly reduced. This is not a question of openness but of effectively protecting those exchanges which are not open.

The issue is whether the Radcliffe conventions should be reasserted, reasserted with modifications or allowed to lapse.

If they were to be modified, it may be thought that the period of 15 years during which Ministers and senior officials are debarred from giving an account of confidential discussions within government could be reduced to 10, or even 5, years. If the period is shortened, perhaps there should be an additional portection for Ministers still holding office, as there is for officials. If the

conventions are reasserted, it is also for consideration whether they could be more effectively enforced, short of legislation. A means of strengthening reinforcement would be to make access to the papers which former Ministers saw in government conditional on their giving an undertaking - which the government could subsequently enforce if necessary - that they would observe the conventions. Since access to the papers is a privilege rather than a right, and the papers are the property of the government of the day, it would be open to make such an undertaking a condition of access by former Ministers.

#### Conclusion

I invite the Cabinet to decide:-

- a. Whether it wishes to reassert, modify or allow to lapse the Radcliffe recommendations that the Cabinet Secretary should give advice to memoir writers designed to protect confidential discussions with government for a period of 15 years.
- b. If they decide to modify them, whether the period of restraint should be reduced to 10, or even 5, years; and whether there should be an additional protection for Ministers still in office.
- c. Whether former Ministers should in future be asked to give an undertaking to observe the conventions, as a condition for having access to the papers which they saw in government.
- d. Whether their conclusions on these matters should be announced.

Cabinet Office January 1993 SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS IN THE REPORT OF THE RADCLIFFE COMMITTEE ON MINISTERIAL MEMOIRS (Cmnd.6386, JANUARY 1976)

- 1. The conventions currently governing the publication by former Ministers of memoirs and other works relating to their experience as Ministers were laid down in a statement made in the House of Commons on 1 August 1946 on behalf of the Prime Minister (Mr Attlee) by the Lord President of the Council (Mr Herbert Morrison). This was based on a memorandum by the Secretary of the Cabinet, Sir Edward Bridges, which Mr Attlee's Cabinet had approved. (Paragraphs 13, 14, 41, 42).
- 2. The conventions established in 1946 have been maintained under successive Administrations and the Committee do not recommend modification of the principles then advocated. They do however draw out of the conventions certain specific working rules; and make recommendations as to the administrative structure which should condition the clearance of an ex-Minister's intended memoirs. The conventions are to be regarded as concessions made to the author, rather than as restrictions imposed on him. (Paragraphs 19, 38, 43).
- 3. The author should be free to use his Ministerial experience for the purpose of giving an account of his own work, subject to restrictions on three separate categories of information:
  - 1. He must not reveal anything that contravenes the requirements of national security operative at the time of his proposed publication.
  - 2. He must not make disclosures injurious to this country's relations with other nations.
  - 3. He must refrain from publishing information destructive of the confidential relationships on which our system of government is based. In particular
    - a. In dealing with the experience that he has acquired by virtue of his official position, he should not reveal the opinions or attitudes of colleagues as to the Government business with which they have been concerned. That belongs to their stewardship, not to his. He may, on the other hand, describe and account for his own.
    - b. He should not reveal the advice given to him by individuals whose duty it has been to tender him their advice or opinions in confidence. If he wishes to mention the burden or weight of such advice, it must be done without attributing individual attitudes to identifiable persons. Again, he will need to exercise a continuing discretion in any references that he makes to communications received by him in confidence from outside members of the public.

c. He should not make public assessments or criticisms, favourable or unfavourable, of those who have served under him or those whose competence or suitability for particular posts he has had to measure as part of his official duties.

He may, however, regard the obligations concerned with confidential relationships (but not those concerned with national security and international relations) as lifted after the expiry of 15 years from the relevant events, though even beyond that point he should not reveal the advice tendered by individuals who are still members of the public services nor make public assessments or criticisms of them. (Paragraphs 45-47, 83, 85, 86).

- 4. These restrictions leave him a wide latitude for the writing of an account of his stewardship. (Paragraph 87).
- 5. The established principles of law do not provide a system which can protect and enforce those rules of reticence that the Committee regard as called for when ex-Ministers compose their memoirs of Ministerial life. (Paragraph 65).
- 6. Nor does legislation offer the right solution. (Paragraph 69).
- 7. There can be no guarantee that, if the burden of compliance is left to rest on the free acceptance of an obligation of honour, there will never be an occasional rebel or an occasional breach; but so long as there remains a general recognition of the practical necessity of some rules and the importance of observing them, the Committee do not think that such transgressions, even though made the subject of sensational publicity, should be taken as having shattered the fabric of a sensible system. (Paragraph 69).
- 8. A Minister on taking and leaving office should have his attention drawn explicitly to his obligations in relation to memoirs. (Paragraphs 71, 72).
- 9. A former Minister proposing to publish a work relating to his Ministerial experience should submit the manuscript to the Secretary of the Cabinet. (Paragraphs 73-77).
- 10. The Secretary of the Cabinet, acting at the request and on behalf of the Prime Minister, should have duties of two kinds in relation to such a manuscript. (Paragraphs 77, 78).
  - 1. To have it examined in respect of national security and the preservation of international relations and to transmit any objections to the author. The author should have a right of reference to the Prime Minister but should accept the latter's decision as final. (Paragraph 79).
  - 2. To offer views on the treatment of confidential relationships in the manuscript. The author should pay careful attention to this advice but must take upon his own shoulders the responsibility for deciding what he is going to say. If he decides to publish material in spite of advice from the Secretary of the Cabinet, he should let the Secretary know what he proposes to do so that before publication there may be time for the Prime Minister's own direct influence to be brought to bear upon the dispute, if the Prime Minister so wishes. (Paragraph 80).

- 11. A former Minister who has kept a diary of his Ministerial experience should give testamentary instructions to ensure that its publication does not flout the current understandings that his own ex-colleagues are likely to be observing. (Paragraph 99).
- 12. Former members of the public services should be under the same obligation as former Ministers to submit their manuscripts for scrutiny with regard to national security and international relations, and to defer to the judgement of those carrying the immediate responsibilities in these fields. In the matter of confidential relationships, the principles which the Committee enunciate concerning publications by ex-Ministers, the obligations which they suggest should rest upon them, and the periods for which those obligations should be maintained, should all be reflected also in the rules governing the publication of memoirs and other works relating to their official experience by former members of the public services. (Paragraphs 92, 93).

Cabinet Office

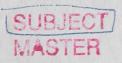
1976.

## List of Memoirs Since 1988

	File Ref	Date
LORD RAWLINGSON'S MEMOIRS	112/62	19/1/88 - 21/3/88
THE WHITELAW MEMOIRS (LORD WILLIAM WHITELAW)	112/63	23/2/88 - 20/2/89
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KILL THE MESSENGER	30/59	5/3/91 - 10/5/91
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SIR KENNETH BLOOMFIELD: MEMOIRS	R26/1	8/4/92 - PRESENT
LORD HOWE'S MEMOIRS	R62/2	28/10/92 - PRESENT
LADY THATCHER'S MEMOIRS		



# 10 DOWNING STREET LONDON SWIA 2AA



From the Principal Private Secretary

Filed on:

SIR ROBIN BUTLER

RADCLIFFE RULES

You had a further discussion about the Radcliffe Rules at your bilateral with the Prime Minister yesterday.

The Prime Minister said he had some hesitation about raising this subject now: there was an uneasy counterpoint between moves towards greater openness and moves towards more effective "gagging" of Ministers. You said that you thought Ministers should be under an obligation to respect the confidentiality of discussions. Without a re-statement of the Radcliffe rules, things could quite quickly become unmanageable - the press would certainly encourage ex-Ministers to be as forthcoming as possible. The Foreign Secretary supported the view that exchanges between Ministers and officials should be protected, but you understood that he felt there was less concern about what Ministers said about each other. You thought, however, that some restraint was necessary and you supported the proposal that Ministers should only be given access to official papers if they give a written undertaking that they would observe the conventions.

The Prime Minister said he would wish to talk to the Foreign Secretary and perhaps other colleagues about this. He thought it could be raised at the first Cabinet in January; you noted that this would be convenient, since Cabinet was due to discuss openness then.

ALEX ALLAN 15 December 1992

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# CONFIDE: TIAL AND FERSONAL

PRIME MINISTER

BILATERAL WITH SIR ROBIN BUTLER

#### Radcliffe Rules

There has in fact been very le comment about the way the Lawson book breached the adcliffe rules. But Robin clearly feels uncomfortable in being responsible for a set of rules that now have dublous standing. Given debate on openness, and aftermath of Matrix Churchill, I can't imagine you will want any early restatement of rules that might be seen as "gagging" Ministers. Is it impossible, at least for the time being, to maintain the status quo, whereby exministers do send drafts, memoirs, etc, to the Cabinet Secretary, and he then does his best to negotiate changes?

Matrix

Other issues

Other issues which may come up:

- Royal family: aftermath of last week's announcement;
- Honours: Robin and William Waldegrave are due to see the Secretary of State for Defence and the Chief of Defence Staff later this week;
  - Appointments Secretary: you are due to see John Holroyd, the proposed replacement for Robin Catford, on Monday evening.

DTI handling of the pit closures episode - papers in forder.

ALEX ALLAN

11 December 1992 C:\alex2.pmq C. + Ex.

Wales.

P.E.S.

fur. Appt.

# **HM** Treasury



Parliament Street London SWIP 3AG Telephone 071-270

4372

Registry 10 Downing Street, London SW1A 2AA

20 November 1992

Dear Sir Madan

LORD HOWES MEMOIRS

Last year somebody in your section helped me find papers for Lord Lawson. I now find myself in the same situation with Lord Howe and wonder whether you could help me out on a couple of things please?

- 1. 1981 November Statement disagreement with No 10 about the form of the statement. any correspondence please?
  - 2. Budgets 1980,1981,1982,1983 any No 10 correspondence (including Policy Unit and Advisers)
  - 3. Anglo German Summit at Chequers, 28 March, 1980 any note of the meeting please?
  - 4. EC Budget contributions Settlement May 29/30 1980 (Achieved by Lord Carrington and/or Ian Gilmour at discussed at Chequers any notes of the meeting please?

Any assistance you could give me would be appreciated.

Yours faithfully

BARBARA BUGDEN

DRO

William

Ref. A092/2973

MR ALLAN

cc Mr Stone (No. 10 Parliamentary)

Mr Rose

Mr Wynn Owen (HM Treasury)

Prime Minester (1)
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prial part of 3rd answo?
May

#### Lord Lawson's Memoirs

You asked for advice on what reply the Prime Minister should give if he were asked in Parliament whether Lord Lawson's memoirs obeyed the Radcliffe Rules.

the Prime Minister will want in the first instance to confine himself to the first two answers. But Sir Robin hopes that in due course the Prime Minister will be prepared to give the third answer, though the shortening of the period of confidentiality has not yet been put to Lady Thatcher.

Javet Goshers.

MS J C GRAUBERG

16 October 1992

#### Questions

- Q. Has Lord Lawson broken the Radcliffe Rules in his memoirs
- A. The Radcliffe report produced guidelines for Ministers, not rules. Radcliffe recognised that in the last resort, responsibility for accepting amendments or other suggestions in the area of confidential relationships within Government must lie with the author himself. Nevertheless it does seem that the noble Lord has interpreted the guidelines rather liberally.
- Q. Does this mean the system isn't working?
- A. In general, most authors <u>do</u> accept some or all of the comments offered to them.
- O. Does the Prime Minister support the Radcliffe rules?
- A. Yes. I believe that it is still necessary for former Ministers and officials, when writing their memoirs, to avoid disclosures which are damaging to national security or international relations or which, within a limited period, breach the confidence of internal Government exchanges. I shall be asking future memoir-writers to agree to observe the principles laid down by Lord Radcliffe and his fellow Privy Counsellors. [However, in one respect I think that the rules can be relaxed. With the agreement of my predecesor, I propose to reduce from 15 years to 10 years the period during which the Radcliffe Committee recommended that special restrictions should be applied for the purpose of protecting confidential relationships within Government.]

2973.ATT:DL

### Background Note

#### 1. The Radcliffe Rules

The Radcliffe Report (Report of the Committee of Privy Counsellors on Ministerial Memoirs: 1976, Cmnd 6386) requires former public servants, like former Ministers, to submit their manuscripts for scrutiny to ensure that they do not make disclosures which:

- i. would contravene the requirements of national security;
- ii. would be injurious to this country's relations with other nations; or
- iii. would be destructive of the confidential relationships on which our system of government is based.

The Radcliffe rules do not require officials to confirm either accuracy or official endorsement of opinions; these are a matter for the author.

#### 2. Nigel Lawson's Memoirs

"The view from No. 11". Due to be published on 5 November by Bantam Press.

Serialised by the "Daily Telegraph" and the "Sunday Telegraph" on 3, 4 and 10, 11 October.

The Treasury offered facilities for looking at official papers, as is customary.

#### 3. Scrutiny Procedure

Lord Lawson submitted the manuscript to the Secretary of the Cabinet in accordance with the Radcliffe rules.

Sir Robin Butler offered comments, including suggested cuts. The Treasury also offered comments on accuracy.

#### 4. Acceptance of comments

We have not seen the final version of the book. Published extracts indicate that some of the comments relating to officials have been accepted but most of those relating to Ministers have not.



# 10 DOWNING STREET LONDON SWIA 2AA

SCH CE SITBURIS SUISES CHMONE. MASTER

Filad on:

From the Principal Private Secretary

#### SIR ROBIN BUTLER

#### LORD LAWSON'S MEMOIRS AND THE RADCLIFFE RULES

The Prime Minister was most grateful for your minute of 1 October which he discussed with you yesterday. You said it now appeared from the extracts from Lord Lawson's book that had been published in the Daily Telegraph and Sunday Telegraph that he had not accepted many of the points put to him about the confidentiality of discussions, particularly with ministerial colleagues. This set a precedent which would make it difficult to argue for applying the rules in future cases.

You therefore proposed the arrangements you had set out in your minute, under which former Ministers would only be given access to the papers they saw in Government if they gave a signed undertaking that they would observe the conventions. This would not affect Lady Thatcher herself who had already been given access to papers, though she would need to be consulted about the proposed relaxation of the period covered by special restrictions.

The Prime Minister said he was somewhat hesitant about this. While he fully recognised the need to protect confidential discussions, he was concerned how this might be presented in relation to the moves towards greater openness in Government. He did not think we could introduce this new arrangement without informing colleagues and mentioning it in the proposed PQ Answer: otherwise - even though the reply reconfirmed the Radcliffe Rules - it might be seen as pious hope only, especially since the only substantive change would be the relaxation in the period during which special restrictions applied.

In further discussion, the Prime Minister said he would prefer to wait a month or so to gauge the reaction to Lord Lawson's memoirs. He would then like to discuss the draft PQ Answer with you again. He thought it might be better expressed on the lines "I shall be asking future memoir writers to agree to observe the practice laid down by Lord Radcliffe ...."

In the meantime, he would be grateful for advice on what reply he should give if he were asked in Parliament whether Lord Lawson's memoirs obeyed the Radcliffe Rules.

I am copying this letter to Sir Terry Burns and Sir David Gillmore.

ALEX ALHAN

13 October 1992

Prime Minister of a future FERB blatend.

Prime Minister of a future FERB blatend.

For discussion at a future of official papers.

For discussion at a future of official papers.

I think the proposal to link among to Repts) unto an result (which can be very time consuming to Repts) unto an account of the consuming to the future of the consuming to the future of the solution.

PRIME MINISTER

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I have mentioned to you that Lord Lawson's memoirs substantially breach that part of the Radcliffe rules designed to protect the confidentiality of discussions and of advice within Government. My minute of 1 September (attached) sets out the background and the rules.

- 2. While Lord Lawson may accept some of the many amendments which Terry Burns and I have put to him both to improve the fairness of his account and bring it within the Radcliffe rules, our clear impression is that he will not accept all of these amendments. Since the main purpose of the book is to defend his own record, he will certainly keep in his account Lady Thatcher's opposition to his ideas in a whole series of internal discussions. Moreover, I think it very likely that he will continue to attribute to individuals in the Treasury and the Bank of England advice which he received and pass judgements upon them. In the draft which Sir Terry Burns and I have seen, he attributed advice to individuals when it turned out to be wrong and said much less about it when it turned out to be right!
- 3. There has been an increasing tendency on the part of ministerial memoir-writers to ignore the Radcliffe guidance. Nevertheless, most former Ministers have been less blatant in ignoring them in the original texts and have taken account of the amendments I have asked them to make, usually ignoring them in those cases where what went on within Government have already been widely reported (eg the Westland Crisis). But Lord Lawson

goes much further in flouting the conventions, and in particular in revealing the positions taken by advisers within the Treasury and the Bank of England. If we take no action, the conventions will be, if not dead, then very sick.

- Does this matter? It may be argued that government is now 4. so open that the position taken by protagonists in the Cabinet on individual matters is generally known and written about immediately. Even so, I take the view that it would reduce trust and frankness within Government if Ministers and officials had to assume that the positions which they took on politically sensitive matters were likely to be revealed, often to their disadvantage, virtually as soon as a Minister left office. is particularly unfair on officials, who are not part of the political process, who are required to serve loyally the Government of the day and whose careers may be damaged by disclosure of the advice they give, particularly if there is a change of Government. Removal of the conventions would promote an atmosphere in which everyone - Ministers and officials - would feel that they had to protect themselves against the risk of such future disclosures all the time. And there is no point in my advising former Ministers on the observance of the Radcliffe principles if it has become tacitly accepted that, in this respect at least, they no longer apply.
- 5. If therefore you think that the general approach of the Radcliffe rules, as summarised in my minute of 1 September, should continue to be applied, I have been considering what could be done to reinforce them against the damage which will be done by Lord Lawson's book. One course I considered was to suggest that you put them before the present Cabinet and have them reaffirmed: that would certainly give me more authority and would put present members of the Cabinet under a greater moral obligation to observe them themselves in due course. But it would not prevent Ministers not now in the Cabinet from ignoring them and I think you felt that even present members of the Cabinet would not necessarily feel bound by their agreement when their moment came to write their memoirs.



- However, I think that there is a practical way of strengthening enforcement of the rules in a way which would bite on future memoir writers, without invoking the law. Ministers are by convention allowed to consult, for the purpose writing their memoirs, the papers which they saw in Government. This is a privilege rather than a right: access to official papers even of previous administrations is for the Government of the day to determine on behalf of the Crown whose property they are. Although some former Ministers may keep diaries, most do in practice find it very difficult to present a complete picture by relying on their diaries or their memories, without looking again at the official files. It seems to me and to Terry Burns that it would be entirely reasonable to ask former Ministers to give a signed undertaking - which the Government could subsequently enforce if necessary - that they would observe the conventions as a condition for giving them access to the papers. If you were minded to agree to this, it could be applied in all future cases when former Ministers seek access to papers they saw in Government (though not, I suggest, to those Ministers to whom access to the papers has already been granted).
- At the same time I have considered whether the existing rules ought to be amended in any respect, perhaps as part of a package. In general, it seems to me to be right to protect the three categories identified by Radcliffe as aspects of confidential relationships - viz, the positions taken by other Ministers in private conversations, advice from named officials and judgements on individuals. But there is perhaps one respect in which the rules could be relaxed. A period of 15 years may now be longer than is necessary. Modern life moves so fast that things which happened 10 years ago now seem very old hat. I know that the Foreign Secretary feels that this is a respect in which the rules are now out of date. A period of 5 years would seem to me still to be too short, but I think that it could be reduced to 10, while maintaining the convention that Ministers refrain from making personal comments about officials still serving.



- 8. There is, however, one reservation. The main person affected by a reduction in this period immediately is Lady Thatcher. It would effectively mean that her period of administration which, until 1994, is at present covered by the Radcliffe rules (although ineffectively as Lord Lawson's memoirs have shown), would now come into the period about which disclosures of confidential exchanges could be made, at least for the period up to 1982. I doubt whether she would lose by this, at any rate if shortening of the period was accompanied by more effective means of enforcement along the lines suggested above, but it should not be done without consulting her.
- 9. There is a question whether this should be announced. I doubt whether the tightening up of the arrangements in para 6 by itself needs to be. However, the Radcliffe rules are public and, if the 15 year period is reduced to 10 years, this should be announced. This would also be a convenient opportunity for you to reassert the importance you attach to the Radcliffe rules. This could be done by an inspired PQ on the following lines:-
- Q. To ask the Prime Minister whether the recommendations of the Committee of Privy Counsellors under Lord Radcliffe still apply to Ministerial and official memoirs.
- A. Yes. I believe that it is still necessary for former Ministers and officials, when writing their memoirs, to avoid disclosures which are damaging to national security or international relations or which, within a limited period, breach the confidence of internal Government exchanges. I shall be asking future memoir-writers to observe the principles laid down by Lord Radcliffe and his fellow Privy Counsellors. However, in one respect I think that the rules can be relaxed. With the agreement of my predecessor, I propose to reduce from 15 years to 10 years the period during which the Radcliffe Committee recommended that special restrictions should be applied for the purpose of protecting confidential relationships within Government.

odd to do this inttoit mentioning toughening up of rule a access to paper: otherwise it into love like pious hope only.



- 10. So, subject to your views, I would propose the following:-
  - I should in future be authorised to require former Ministers, before they are given access to Government papers, to give an undertaking that they will comply with the Radcliffe conventions;
  - subject to clearance with Mrs Thatcher, the 15 year period during which confidential disclosures within Government have to be protected should be reduced to 10 years; and
  - we should contrive an opportunity for you to reassert the value which you attach to the Radcliffe conventions, accompanied by announcing the reduction of the 15 year period to 10 years.
- 11. I am copying this minute to Sir Terry Burns and Sir David Gillmore, whom I have consulted in preparing it.

harb.

ROBIN BUTLER

1 October 1992

Ref. A092/2408

PRIME MINISTER

## Lord Lawson's memoirs

I have recently read the draft of Lord Lawson's memoirs. They present considerable difficulties in relation to the Radcliffe Rules, which I describe below. There is no action which I need to ask your approval for at this moment. I will negotiate such amendments with Lord Lawson as I can, with the help of Terry Burns - the book is 80 chapters and over 1000 pages long and the publishers are asking for final comments by 11 September! - but at the end of it I think that I will want to suggest that you ask your present colleagues whether they still wish to maintain the Radcliffe Rules (perhaps with some modifications) and reassert them as regards themselves.

#### The Radcliffe Rules

- 2. The Radcliffe Rules are a non-binding set of guidelines produced by a Committee of Privy Councillors under the Chairmanship of Lord Radcliffe in 1976, following the then Government's failure to prevent the publication of the Crossman Diaries. They were adopted by the Government of the day and have been accepted since as the guidelines relating to Ministerial memoirs.
- 3. In summary, they recommend that former Ministers avoid three categories of disclosure those damaging national security; those which damage relations with other countries; and those which, within 15 years of the events covered, are destructive of confidential relationships of Minister with Minister, of Ministers with their advisers of either with outside bodies or private people. Former Ministers are asked to submit memoirs to

the Cabinet Secretary who can advise on the application of these principles.

- 4. In my experience, there is never any difficulty with former Ministers about the first two categories national security or international relations. Former Ministers have no wish to make disclosures within these categories, which might anyway be offences under the Official Secrets Act. The problem is the third category, which former Ministers are increasingly disinclined to observe.
- 5. Before going on to Lord Lawson's memoirs, it is worth setting out in full Radcliffe's summary of the restraint which Ministers are asked to observe under the heading of preserving confidential relationships:-
  - "(a) In dealing with the experience that he has acquired by virtue of his official position, he should not reveal the opinions or attitudes of colleagues as to the Government business with which they have been concerned. That belongs to their stewardship, not to his. He may, on the other hand, describe and account for his own.
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  - (c) He should not make public assessments or criticisms, favourable or unfavourable, of those who have served under him or those whose competence or suitability for particular posts he has had to measure as part of his official duties."

As mentioned above, these restraints are to apply for 15 years, or in the case of officials, for such longer period as the officials are still serving.

## Lord Lawson's memoirs

- 6. It is in the area of confidential relationships that Lord Lawson has played fast and loose with the principles, in two main respects. First, he describes a very large number of private exchanges with Ministerial colleagues and particularly with Lady Thatcher. One of the main themes of the book is her interference, high-handedness and undermining of her Ministers, and specifically of himself. The second category is very widespread quotation of official advice, attributed to named individuals, particularly in the Treasury and the Bank. There are many references some of them surprisingly slighting to the views or advice of Peter Middleton and Terry Burns at the Treasury, and the Governor and Eddie George at the Bank.
- 7. There is little that is damaging to people in the present Government, although Lord Lawson refers, for example, to the strain which you were under during your early days as Chief Secretary and describes the reintroduction of up-rating of child benefits as "a colossal blunder". (This sort of extravagant language is a feature of the book throughout). But the main impact of the book will be seen as a savage attack on Lady Thatcher and a justification of Lord Lawson's actions as Chancellor.

## Contacts with Lord Lawson

8. Both Terry Burns and I have written to Lord Lawson and had conversations with him. He has said that he does not wish to be unfair to officials who cannot defend themselves, and he will consider amendments in these cases (though it is unclear whether this will extend to Terry and Peter Middleton). Terry Burns and I are sending him a very large number of comments both on the application of the Radcliffe Rules and on the accuracy of the account. But I am clear that, at the end of the day, Lord Lawson

will not be prepared to take out much of the account of his dealings with Lady Thatcher or the activities of Alan Walters, which clearly took place in confidence and are well within the 15 year limit. It seems to me certain that the book will be seen as a major breach of the Radcliffe Rules, and Ministers will need to decide on whether they reassert them for the future as regards themselves, or whether we now need to modify them and, if so, in what form.

9. I am copying this minute to Terry Burns.

PER.B.

ROBIN BUTLER

1 September 1992

PERSONAL AND CONFIDENTIAL.

be Sitterence Burns



faxed to Lova Lawson (0327) 349825

10 DOWNING STREET & original followed by post

From the Principal Private Secretary

11 September 1992

Dear Nigel

#### THE ROCKY ROAD TO MADRID

I have now got the papers from the Chancellor's Office relating to the first joint memorandum you and Geoffrey Howe sent to the then Prime Minister in June 1989. I gather you have already seen John Kerr's chronology.

The first document is the draft paper submitted by Tim Lankester on 19 May. This is the one you had commissioned at your bilaterals with Tim and with Peter Middleton and contains a long section about the economics of the ERM. Your manuscript comments show you as being unhappy with this: "Not good enough. Needs substantial rejig."

The next thing is the redraft of the paper submitted by Tim Lankester on 8 June. This says:

"You asked me to redraft the Madrid paper with John Kerr on the basis that the section arguing the case for sterling joining the ERM should be taken out altogether - you said we should come back to this after Madrid. The Prime Minister should be advised to play it long at Madrid and say the minimum necessary about Delors and the ERM."

You did some substantial amendments to this which I sent to Geoffrey Howe's office on 13 June. This does indeed include setting a non legally binding timetable, linked to the other conditions on inflation and capital liberalisation. This did, of course, <u>follow</u> your exposition to the TCSC on 12 June.

It was clear that you still had considerable doubts about whether to send this to the Prime Minister. Your manuscript comments say "please have retyped for discussion with Sir Geoffrey Howe. Note: The operative word is discussion: I am not signing up at this stage." You then discussed this with Geoffrey Howe at the meeting on 14 June and sent the joint minute.

This does mean that you do need to revise the relevant chapter of your book. It seems clear to me that having commissioned the original work, you began to doubt the wisdom

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THIS IS A COPY. THE ORIGINAL IS
RETAINED UNDER SECTION 3 (4)
OF THE PUBLIC RECORDS ACT

- 2 -

of pressing this on the Prime Minister before Madrid, probably following the discussion you had with her on 3 May. Hence, the redraft of the original paper to take out the arguments for sterling joining the ERM. But Geoffrey Howe then persuaded you that you should sign a joint minute, and you used the line you had already developed at the TCSC.

Do give me a ring if you want any more details. I am away in Scotland until Monday evening, though the No.10 switchboard can probably get me before then if necessary.

ALEX ALLAN

The Rt. Hon The Lord Lawson of Blaby



--- Walle . A. bake . or warmen

FROM THE PERMANENT REPRESENTATIVE

Sir T Burns HM Treasury OFFICE OF THE UNITED KINGDOM
PERMANENT REPRESENTATIVE
TO THE EUROPEAN COMMUNITY
ROND-POINT ROBERT SCHUMAN 6

OND-POINT ROBERT SCHUMAN 6 1040 BRUSSELS 287 TELEPHONE 2706720 87281

8 September 1992

cc Mr A. Allan - No 10

New Terry

## THE ROCKY ROAD TO MADRID

1. We spoke about Lawson Chapter 73. I enclose my chronology of the events it telescopes, together with a copy of the note (with Lawson/Middleton annotations) which Tim Lankester sent to me on 4 May, describing it as "the outline the Chancellor wishes us to follow".

Juss em,

John Kerr

DRAFT OUTLINE OF JOINT CHANCELLOR/FOREIGN SECRETARY KINUTE TO PE

EUROPE

I had the

In run-up to Madrid Council, and beyond, need to think through carefully our strategy towards Europe.

- 2. As a result of extensive ambitions of the Commission under Delors, coupled with traditional French aspirations now made more dangerous by the desire by a politically weak German government to cling closely to its alliance with France we find ourselves embattled on many fronts: the 'social dimension' (including worker-participation, child-care facilities etc), tax harmonisation, economic and monetary union [others?].
  - 3. We find ourself in a difficult, and potentially dangerous, position. There must be a real risk that if we continue with an unremittingly hostile attitude towards any progress on these issues, the other eleven may decide to move ahead without us. On issues requiring Treaty changes or unanimity, by negotiating a new Treaty covering the eleven; on issues decided by majority voting, by out-voting us. [evidence etc to back this assertion up?]
  - 4. Would this two-tier Europe matter?

[analysis of political (including party) and economic costs, including, crucially, point that we could lose out on other issues too - eg the budget, CAP etc - as our influence reduced and others felt less need to try to accommodate us]

- 5. What are the alternatives, and what are our sticking points? No question of accepting treaty change to enshrine Delors package; and no question of accepting imposition of economically extremely damaging proposals on 'social dimension'. So our room for manoeuvre is very limited.
- [6. Worth re-opening tax approximation? Or better not to clutter up his minute?]

PEN there's install a course of the

- 7. Greatest immediate danger is calling of IGC to negotiate new IU Treaty. If one were called, no option for us but to refuse to attend. Would no doubt be squabbles among eleven. But deluding ourselves if pretend they would not eventually sign new monetary Treaty, which we would have had no say in shaping. Spell out risks/damage. Objective must be to head off IGC if at all possible.
- 8. We [GH and NL] have looked very carefully at what action we might take to prevent that. Come to clear conclusion that only realistic possibility is to accept Delc.s stage I, but without accepting the whole package, and without accepting negotiations on a new Treaty arguing that there was no point whatsoever in considering that at the present juncture. Explain how this might/should be enough to satisfy others/head off pressure.

9. Brief analysis of Stage I proposals. [? discuss scope for building on EMS machinery as an alternative - less bureaucratic and smaller role for Commission]

- 10. Do not, however, believe that this will be sufficient without a firmer commitment on joining ERM than we have so far been prepared to give. Explain why.. [? combine with building on EMS machinery to demonstrate changed situation and so, implicitly, less of a 'defeat' for PM]
- 11. This would be consistent with our strategy and our approach to economic policy, whereas alternatives are not. Several linked issues to be considered.
- 12. Lessons from 1987 experience [T Burns reviewing]

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- 13. Prevents us setting interest rates at level we need for domestic anti-inflation policy? Walters' point about credible commitments to exchange rate stability making interest differentials impossible? True ex-post that much better to invest in high-yielding currency that didn't devalue. But experience of French (interest rate differential over DM of 3-4% without devaluation/revaluation or massive inflow). And we've been in +/-2% band against DM for a year with interest differential of up to 8%.
- 14. If we did find interest rates are too low, then possible that raising them would put upward pressure on exchange rate, in which case need to be prepared to realign as others have done. Comments on needing to negotiate/losing sovereignty.
- 15. Answers to: first step down slippery slope to EMU? Only buying a few years' time?
- To. Timing: [announce join by 1/7/90 or 31/12/92; in practice would have for market reasons to join well before deadline]
  - 17. Next steps: unveil at Madrid? Preparatory work?

#### CALENDAR

- 16 March: Howe/Lawson meeting (alone). Decision to tackle the Prime Minister, jointly, on the subject of ERM.
- 14 April: Howe/Lawson meeting (alone). Decision to make the case for ERM on the basis that joining would lower the costs of counter-inflationary policy ie in terms of domestic, not EC, policies. Possible significance of Chequers meeting (29 April) with the Dutch noted.
- 26 April: Howe/Lawson meeting (ione). Chancellor not confident of winning the argument on economic grounds alone: the key argument should instead, post-Delors report, be the need for a UK move, at Madrid, on ERM to prevent a move by the Eleven for an early (1989) IGC.
- 29 April: Chequers meeting with the Dutch.

- 4 May:

  Howe/Lawson meeting (alone). Lawson still argues for making the case primarily on political grounds:

  Howe argues for setting out political and economic case. Decision to cover both, in a joint paper, to be worked up by Lankester and Kerr.
- 4 May:

  First outline draft, already approved by Lawson, sent to Kerr by Lankester, after in-house Treasury discussions Lawson/Lankester, Lawson/Middleton, Lawson/Burns. Draft concludes that the need is for "a firmer commitment on joining ERM than we have so far been prepared to give", and suggests giving a commitment to join by July 1990 or December 1992.
- 11 May: Lankester version of economic section of draft joint minute circulated in Treasury.
- 16 May: Kerr version of political section of draft joint minute circulated in Treasury.
- 19 May:

  First complete version of joint draft minute considered at Middleton meeting with Burns, Wicks, Scholar, Lankester and Kerr; revised version submitted (separately) to Howe and Lawson. Draft argues for indicating at Madrid that the time for ERM entry is now 'ripening'. Key argument: Delors Report calls for all EC countries to become full ERM members in Stage I; UK prescription is for a stepmembers in Stage I; UK prescription is for a stepmembers approach in which nothing involving Treaty change happens until Stage I (including ERM) is complete; if others believed time for UK ERM entry would never be ripe, UK prescription would be seen as designed to ensure Stage I never ended; a recipe for action a onze, later in 1989.
- 22 May: Howe/Lawson meeting (Kerr present). Lawson reflecting: plans to revise the joint draft.
- 5 June: Lawson/Howe meeting (Lankester present at start).

concentrating on the political arguments, but still making the joint demarche before Madrid.

8 June:

Revised (Kerr/Lankester) version of joint draft minute submitted (separately) to Howe and Lawson. (It concludes that the line for Madrid should be that the time for ERM entry is ripening, but it argues that it will not be necessary then to give a target-date.)

9 June:

Howe amendments incorporated. Text resubmitted to Lawson. Howe believes it should go to No 10 soon.

12 June TCSC

13 June:

Main changes: Lawson amendments sent to Howe. reinsertion of a conditional target-date of end-1992 (the conditions to include full liberalisation, and an improved inflation prospect). (It was known by this time that the Spanish draft Madrid Conclusions included a 1992 entry deadline for all ERM non-members.)

14 June:

Howe/Lawson meeting (Alone). Joint minute sent.

20 June:

PM/Howe/Lawson meeting at No 20 (Powell present).

Powell record sent to FCO, Treasury.

22 June:

Howe/Lawson meeting (Kerr present at start). Second draft joint minute commissioned (from Kerr), reaffirming the need for a clearer Madrid commitment to ERM entry. Draft submitted (separately) to Howe and Lawson,

23 June:

Minor Howe, Lawson amendments made. Second Joint Minute sent.

25 June:

PM/Howe/Lawson meeting at No 10 (alone). Draft speaking note subsequently submitted to the Prime Minister (en route to Madrid), including a firm reaffirmation of UK intention to joint ERM, conditional on improved UK inflation performance, and on implementation of Delors Report Stage I prescription for:

completion of Internal Market;

abolition of exchange controls, and implementation of free market in financial services;

strengthening of EC Competition Policy.

26 June:

Version of Speaking Note, as used by the Prime Minister in the European Council, includes the above passage.





Ref. A092/2408

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PRIME MINISTER

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FER.B.

ROBIN BUTLER

1 September 1992

#### CONFIDENTIAL AND PERSONAL



## CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 071-270 0101 Facsimile 071-270 0208

From the Secretary of the Cabinet and Head of the Home Civil Service Sir Robin Butler GCB CVO

Ref. A092/2353

Alex, or. I've looked though their a marked a 17/8.

13 August 1992

Does Phis,

#### Lord Lawson's Memoirs

Please find enclosed Chapter 74 of Lord Lawson's memoirs. These are in typescript and have not been proofed by the publisher.

I understand there are four more chapters to come, Lord Lawson is to complete on his return from holiday in early September.

I am copying this letter and the enclosure to Alex Allan in No 10.

Yours Tack Garrey. (Miss J C Grauberg) Assistant Private Secretary

Philip Wynn Owen Esq PS/Sir Terry Burns

PERSONAL AND CONFIDENTIAL



Ass

# 10 DOWNING STREET LONDON SWIA 2AA

From the Principal Private Secretary

6 August 1992

## THE LAWSON BOOK

As we discussed, I attach a schedule of comments etc. on Nigel Lawson's book. I do not pretend it is comprehensive, but it may cover one or two points you have missed.

ALEX ALLAN

Sir Terence Burns, HM Treasury.

PERSONAL AND CONFIDENTIAL

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#### THE LAWSON BOOK

## Chapter 6, pages 6-8

This is the first mention of "Treasury devaluationists".

## Chapter 22

This has pen portraits of various Treasury officials.

## Chapter 23

This has many derogatory references to Dr. Gerhard.

## Chapter 25

Page 15 refers to Peter Middleton's views on a GGE/GDP target.

## Chapter 31, page 5

Andrew Hudson was not promoted out of the job of speech writer.

## Chapter 35

Pages 7-9 ascribe views on ERM to Treasury officials.

## Chapter 36

More references to Treasury official's views on pages 2 and 4-5. Plus a rather gratuitous insult to the Treasury (versus Bank) on page 4.

#### Chapter 37

More references to Treasury views on page 6.

#### Chapter 38

More of the same on pages 4-5.

#### Chapter 39

I have no idea whether the Treasury did have a copy of the Walter's book (page 9).

#### Chapter 41

The consorts of Finance Ministers <u>are</u> invited to Summits, at least sometimes.

## Chapter 43

I remember the letter from Balladour arriving <u>before</u> Gleneagles. Also, it was Nigel Althaus who sent the tie direct.

## Chapter 45

Was it really Nigel Lawson (rather than the Scots) who suggested introducing the poll tax a year early in Scotland?

I do not like the reference to the Treasury private secretary on page 10.

## Chapter 46

Very critical about the Treasury on SERPs. And a gratuitous insult about forecasts on page 4.

John Anson was a deputy secretary.

## Chapter 47

Did Hayden Phillips ever transfer to the Treasury?

## Chapter 51

Lots of stuff on oil-adjusted exchange rates etc. on pages 4-5, plus further comments on page 8 and 9. On page 10, it was Tim Lankester who accompanied Nigel Lawson when he saw Stoltenbeg (I sat in the car). On page 11, the comment about joining the ERM "today" was a joke, referring back to an early comment by the Governor about not raising base rates "today" which had been badly taken by the markets.

#### Chapter 52

Pretty critical stuff on the Bank at pages 9-10.

## Chapter 53

A gratuitous joke against Robert Armstrong.

#### Chapter 54

Was the 1987 Budget speech in fact the shortest this century?

## Chapter 57

I would prefer the remarks about the present Prime Minister's health omitted. And the next sentence ignores his time as Chancellor.

## Chapter 58

Very rude about Brian Griffiths.

## Chapter 59

I recall Baker flying to Sweden for a pre-arranged meeting.

## Chapter 62

The bit at the bottom of page 5 is poorly put.

## Chapter 63

The post-mortem on shadowing the DM is one of the worst bits in terms of ascribing questionable views to officials.

#### Chapter 66

I have some doubts about the account of the bilateral with the Prime Minister, but have not tried to check any No.10 records.

## Chapter 67

It looks very dangerous to reveal legal doubts about IGs.

#### Chapter 68

As I recall, the "missing" tape recording was not revealed to Mr. Lawson until the Monday. And some of the comments about John Gieve look unfair. On page 10, wasn't it Michael Scholar who led the group? On page 11, there's some pretty nasty stuff about the Bank.

#### Chapter 69

The conclusion on official secrets is incorrect: it was not agreed that the suffix 'OSA' should be used.

#### Chapter 70

It seems to me wrong to deal with events after Mr. Lawson had resigned in the way done in the last paragraph on page 13.



## 10 DOWNING STREET LONDON SWIA 2AA

From the Principal Private Secretary

5 August 1992

Dear Nigel

My very belated attempt to give you comments on the later passages of your book were overtaken by the arrival of the full manuscript at the Cabinet Office, of which I now have a copy. I am passing a few minor factual points back to the Cabinet Office, but I thought it might help if I covered them and some more general comments in this letter (which I am not showing to anyone else except Robert).

I should perhaps have started by saying that I found the book a very good read, and well written. I thought it was a good mixture of anecdote and serious analysis. There are one or two episodes where I thought you could add more anecdotal material (again mentioned in the annex). If you are looking for some slimming down, my comment would be that there is still a bit too much on budgets.

There is one issue I should warn you about. I saw Terry earlier this week, and he is pretty upset about some of the passages relating to him. There is the general point about the extent to which the rules constrain you from disclosing or commenting on advice from officials; no doubt Robin Butler will advise on that. But what really concerned Terry was that he felt some of the comments were unfair.

An example is the post mortem on shadowing the Deutschmark on pages 6-8 of chapter 63. Terry strongly disputes the thesis here and to some extent elsewhere in the book, that he did not worry about inflation. He also feels - with some justice it seems to me - that you quote from remarks he made after he had discussed the issues at length with you privately, after which he was always fully loyal in supporting your position even if it was one he himself had initially had doubts about. He also feels particularly hurt by the suggestion that he might have started to disassociate himself from the policies after you had resigned; I think he has been pretty supportive, both in public and in private, and I suspect your comment is aimed more at Peter Middleton.

I think Terry does have a point in all this, though perceptions inevitably get clouded over time. There certainly were times when he had doubts about the scale of intervention and

the downward pressure on interest rates associated with shadowing the Deutschmark which he did express to you privately, though without suggesting that the issue was clear cut, especially given the danger of losing credibility. But he was then always very loyal in supporting your case in the wider gatherings, such as markets meetings.

I am conscious always of the danger of suggestions that you "take out the interesting bits". But I think you should look at this passage, and one or two others mentioned in the annex, at the least to see whether you might de-personalise them.

As indicated, I attach an annex with comments, some very detailed, some more general. I shall be at home in Hampshire from 17 August if you want to give me a ring there.

I hope you all had a splendid holiday: you certainly deserved it after what must have been a prodigious effort in getting the book so near completion.

Your Alose

ALEX ALLAN

The Rt Hon Lord Lawson of Blaby

#### ANNEX

## Chapter 6, pages 6-8

This is the first mention of "Treasury devaluationists". I myself don't find it objectionable.

#### Chapter 23

I think the references to Gerhard need toning down: letter to refer to "the Mint" rather than personalise - it would be seen as attacking a soft target who cannot defend himself, however justified your comments.

## Chapter 31, page 5

Andrew Hudson was not promoted out of the job of speech writer.

I expect you will get problems from Robin Butler about the discussions on the Pickford Report (page 6).

#### Chapter 35

You might de-personalise the Treasury views about the ERM on pages 7-9.

## Chapter 36

A similar point on pages 2 and 4-5. Also, do you really need to give the slightly gratuitous insult to the Treasury in your final sentence of the last full paragraph of page 4? It does not accord with my recollection.

#### Chapter 37

More of the same on pages 6-7.

I thought the comments here on pages 4-5 were well put, though I suspect you may run into objections.

#### Chapter 39, page 9

I had no idea whether or not Peter Middleton did get a copy of the Walters' book in draft: do you really want to go out on a limb on this?

## Chapter 41, page 8

The consorts of Foreign and Finance Ministers are sometimes invited to Summits - both Rosemary Lamont and Judy Hurd were at Munich.

## Chapter 43, page 5

I thought the sequence of getting the letter from Balladur and the Gleneagles meeting was the other way round. As I recall, you got the letter <u>before</u> Gleneagles. I will check.

On page 13, it was Nigel Althaus who sent you the tie himself.

## Chapter 45, page 9

I don't remember you being the person who suggested that the poll tax should be introduced in Scotland a year earlier than in England and Wales, though I was not in your Private Office then. I remember the pressure coming from the Scots who were particularly keen to get the legislation on the Statute Book before the Election.

Wearing my new hat, I would prefer it if you didn't finger No.10 Private Secretaries as Treasury stooges! You could say something like "I quickly found out about this and had to send Patten a suitably stern letter"

#### Chapter 48, page 8

Hayden Phillips was never transferred permanently to the Treasury.

#### Chapter 51

Terry felt he was unfairly fingered on the oil adjusted exchange rate, etc., on pages 4-5.

On page 11, your quote about having no intention of joining the ERM today was a joke following an earlier blunder by the Governor: he had been door-stepped, and said we had no intention of raising interest rates "today", which had alarmed the markets.

#### Page 52

The quote at the top of page 3 ("it was inevitable and indeed necessary that the exchange rate should fall") shows you, at least in public, signed up to some link between oil and the exchange rate, though I accept that this was very much the official line.

## Chapter 53

I would take out the "economical with the truth" jibe here.

#### Chapter 54

We need to check whether your budget speech was really the shortest this century: I thought the missing page incident meant you just missed the record.

## Chapter 57

I would take out the sentence "at one point I was seriously alarmed for his health". And the next sentence seems to ignore the time Mr. Major spent as Chancellor before becoming Prime Minister!

## Chapter 59

One anecdote about writing the managed floating speech was the way that the phrase "a small group of us met at the Plaza Hotel" kept reminding everyone of a Jeffrey Archer novel and meant we all dissolved into fits of giggles every time we got to that page of the draft.

I have no remit to protect Brian Griffiths, but you are pretty nasty to him on page 10.

## Chapter 59

As I recall, Baker was flying to Sweden for a pre-arranged trip on the day of the crash (page 8). I will try to get this checked.

I also thought this chapter could be livened up with some more colour. It was a pretty incredible fortnight, with meetings at all sorts of times, including, for example, ringing Jim Baker still in full evening dress at 11 o'clock at night after the Mansion House. I will take out my notebook to see if it jogs any more memories.

#### Chapter 60

This was one area where I thought you might have given more credit to Peter Middleton. It was, in some ways, his finest hour - he saw very early on that the BP affair needed enormously careful handling, and took charge, holding meetings into the early hours of the morning with lawyers, merchant bankers, etc.

#### Chapter 62

On page 3, do you want to embarrass Eddie and Robin by revealing that Mrs. Thatcher saw Eddie privately?

On page 5, I think you are a bit unfair to officials at the bottom of the page.

#### Page 63

I have already commented on pages 6-8.

#### Chapter 65

I thought the structure of this chapter was a bit odd. Would it not be clearer if you started with the description of how you eventually ended up at 25p and 40p, including the UEL debate? What was remarkable about the 1988 budget was the way you set the

work programme for the budget <u>before</u> you went off for the 1987 Election. There was then a more or less continuous evolution over the next 9 months or so.

I paused on the rather throw-away treatment of the fringe benefits tax, but I hesitate over suggesting more on tax issues.

## Chapter 66

I thought the final paragraph on page 2 looked rather boastful.

On the evening meeting with Mrs. Thatcher and the 7½%, my recollection is slightly different from yours. I don't remember the 7½% as being purely her idea, though it was not the option you favoured. The way I remember you putting it to me was that faced with a choice between a strong statement in support of your line on the exchange rate, and a weaker statement combined with a cut in interest rates, she chose the latter.

#### Chapter 67

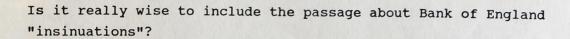
On page 6, do you really think the Treasury is often driven exclusively by the public expenditure side?

On page 8, it does seem to me that there may be considerable difficulties over revealing the legal doubts about indexed gilts, etc. We certainly don't want to prejudice the position if the Government does decide to make changes in the RPI in future.

#### Chapter 68

On the tape recorder incident, I don't think your narrative is quite in line with John Gieve's affidavit (and I would omit "furious as I was at his lack of competence"). I don't have the papers to hand, but I thought the non-existence of the tape recording did not come to light until some time on the Monday.

On page 10, it was really Michael Scholar who led the work on an Independent Central Bank.



## Chapter 69

I don't think the outcome of the discussion about classification of documents is quite as you put it: it was agreed that the traditional classifications could be used for documents not covered by the Official Secrets Act, but not that ones that were covered could be annotated OSA.

## Chapter 70

On page 13 is it right for you to refer to something your successor may have raised with the Prime Minister after you had resigned?

c:\wpdocs\pps\annex.jd



## CABINET OFFICE

70 Whitehall, London SW1A 2AS Telephone 071-270 0101 Facsimile 071-270 0208

From the Secretary of the Cabinet and Head of the Home Civil Service Sir Robin Butler GCB CVO

Ref. A092/2312

31 July 1992

Dear Phil,

#### Mr Lawson's Memoirs

-- As promised, please find enclosed 2 copies of the chapters provided by Mr Lawson. I am sending you complete versions, rather than just those which refer to Mr Lawson's time in the Treasury.

I also enclose a copy of the Radcliffe Report, and two summary sheets - one which summarises the conclusions in detail and one which we provide to former Ministers which sets out the principles.

We have agreed that we will both check these chapters for the 3 issues of confidentiality set out on pages 20 to 21 of the Radcliffe Report. I would be grateful if you could also check the drafts for such matters of national security occuring or any issues affecting the UK's relations with other countries.

/We have no

Philip Wynn Owen Esq PS/Sir Terence Burns HM Treasury

We have no obligation to check the memoirs for accuracy, but it is usually in everybody's interest that facts are correct, and I understand that Mr Lawson would be very grateful for any accuracy points to be highlighted.

Please get in touch if you have any queries.

I am copying this letter and the memoirs to Alex Allan, No. 10.

Jaret Gastrey

(Ms J C Grauberg)
Assistant Private Secretary

From: The Rt Hon NIGEL LAWSON

Newnham Lodge Newnham Northants NN11 6ER

CCRobet Culpin (14MT) file (Lawson Book)

6 May 1992

I enclose the bulk of the book - although, as you will see, there are some key chapters which I have still to do in final form.

What you have here are chapters 3 to 10 (the Financial Secretary chapters) and chapters 21 to 43 (the first 23 Chancellor chapters), with the exception of chapter 33, which is not quite ready yet. I also enclose a Table of Contents for the first 43 chapters of the book, which may help you to find your way around it.

One or two points. First, there are a few places where I have indicated that a brief insertion is still required, but there are only three where there is anything significant to add: chapter 29 (which I think is the right place to add the abortive attempt to get a consumer credit tax), and chapters 34 & 35.

Second, do please show all this to Robert - but not to anyone else. Indeed, I have included the FST chapters for his benefit rather than yours.

Third, as you will see, it is coming out very much longer than I had intended, and almost certainly longer than anything the modern reader is prepared to read. So in addition to your and Robert's comments, which I greatly value, any suggestions on what might be cut would be helpful.

Finally, I should be grateful if you would glance at the sidelined passage of the enclosed article. I have no recollection of being advised by the Bank to raise interest rates in early 1988 and refusing to do so, nor have I found any record of it. I do recall Eddie wanting to uncap the f at an earlier date than we did, and my declining to do so; but

that is rather different. What is your recollection?

I am most grateful to you for agreeing to look through these chapters for me. Obviously, it would be particularly valuable to have them back, with your manuscript comments, sooner rather than later. If you feel up to it, I will let you have a further batch of chapters in due course.

the Wy

# Steady Eddie is getting ready

# Peter Marsh on runners in the race to head the Bank of England

R EDDIE George is not so much knocking on the door marked "Governor" at the Bank of England. He is already halfway through picking the lock. Mr George, 53, has been deputy governor since 1990 and has worked for the Bank for 30 years. He has a cast-iron reputation for understanding financial markets and has the trust of many in the government and the City.

But while the self-effacing Mr George is probably the front-runner to take over after the retirement of Mr Robin Leigh-Pemberton next year, his selection is by no means

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Mr George's lack of charisma may count against him; he is not a fluent public speaker, and dislikes publicity. As an archetypal backroom operator, he has a streak of deviousness an attribute highly important in the Bank's approach to financial markets, but which might be less appreciated in the top post.

Also, his reputation could be dented by the results of the inquiry by Lord Justice Bingham into last year's Bank of Credit and Commerce Inter-

national scandal.

Mr George was a key person at the Bank of England involved in the supervision of BCCI. Any hint in the Bingham report, expected by the summer, that Threadneedle Street was at fault could rebound on him.

The chain-smoking Mr George joined the Bank as an economist soon after leaving Cambridge. In between, he had a short spell in Berlin, working for British intelligence. During this period, Mr George learnt fluent Russian - an ability useful in the Bank's dealings with eastern Europe.

While Mr Leigh-Pemberton has a mainly ambassadorial role, Mr George is in charge of Bank's day-to-day

operations.

These include advising the Treasury on economic policy, banking and markets supervi-



Insider: but promotion for Eddie George is not assured

sion, and acting as a semi-official cheerleader for the City. "Nothing important happens at the Bank without Eddie pulling the strings," says one insider.

Although outsiders may know little about Mr George. inside the Bank he is said to be extremely forceful. A former associate says: "Eddie is an achiever; he likes to be in control." Another insider says: "It's surprising how many Bank decisions are reversed in the quiet of the deputy governor's room."

This non-collegiate approach

to decision making is said by some to be a product of Mr George's lack of outside experience. One former government official says of Mr George: "He is too much of an insider [for the governor's post]. You want someone who can come to the Bank with a fresh eve.'

Such considerations could tip the decision about the top job towards one of the other contenders.

Also expected to be on the shortlist are Sir David Scholey. chairman of the S.G. Warburg investment bank; Sir David Walker, departing chairman of

the Securities and Investments Board; Sir Peter Middleton, chairman of Barclays Bank and former Treasury permanent secretary; and Lord Alexander, chairman of National Westminster Bank.

But where Mr George scores highly is in his preoccupation with controlling inflation.
Although this is part of the job of being a central banker, Mr George is "evangelical" about this point, according to one associate.

In the past, this has led to differences of opinion with Sir Terry Burns, permanent secretary at the Treasury and another great survivor of UK economic policymaking.

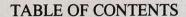
In early 1988, when Sir Terry was advising Mr Nigel Lawson, then chancellor, Mr George was an important voice at the Bank urging the Treasury to tighten monetary policy in an effort to reduce the inflationary effects of what became known as the "Lawson boom". According to one account, Mr George at the time told Mr Leigh-Pemberton he should resign if Mr Lawson failed to listen to the Bank's strictures. The Treasury did finally tighten policy - but it was too late for Mr George's liking.

When Britain cut interest rates by 1 percentage point when joining the European exchange rate mechanism in October 1990 - to capture headlines before the Conservative party conference - Mr George helped draft a controversial letter sent by the Bank to Mrs Margaret Thatcher, then prime minister.

This argued - in unusually forceful tones - that the rate cut would unsettle financial markets.

On both these occasions, history has shown that Mr George's instincts were correct. Whether he can meld the qualities he showed then of deftness and intelligence with the more outgoing role which would be required in the governor's job will be a question exercising his fan club in the months





cc Solet Culpin

Important note to publisher:

1. Even if subheadings have to be put into paras rather than separate lines, it is ESSENTIAL to insert page nos. against each one. This can

only be done at proof stage.

2. Footnotes have been kept to a minimum. But it is essential they be kept on page. They convey information not suitable for main text. References are at back. It is also important that they remain grouped by chapter and NOT combined into one list.

PART ONE: FOUNDATIONS

Chapter 1: Formative Years

Beginnings
Early Beliefs
Economic Evolution

Chapter 2: Member of Parliament

New Boy Prime Minister's Questions Advent of Margaret Thatcher Opposition Whip Preparation for Office

Chapter 3: Present at the Creation

A New Course Financial Secretary Scope of the Job Helpers and Advisers The 1979 Inheritance The Underlying Malaise

"indescret or could not be while truted".

#### Chapter 4: Restoring Incentives and Removing Exchange Control

Budget Date decided before 1979 Election Khomeini and Clegg The New Fiscal Strategy Pensions Bravery Importance of the 1979 Budget Currency Freedom at Last Abolition in Retrospect An EC Sequel

#### Chapter 5: Blood, Toil, Tears and Sweat

Pay Freeze Rejected
The Tax and Price Index
'Primitive Language' - and Measures
Forecasts - a Self-Inflicted Wound
Search for a Treasury Guru
1980 Budget: Consolidation at Home
Expenditure and Revenue
A Two-sided Budget?

## Chapter 6: The Medium Term Financial Strategy

The Origins
Guide to Monetarism
Borrowing Targets
The Fiscal Targets
The Abiding Legacy

## Chapter 7: The Black Art of Monetary Control

Nuts and Bolts
Which 'M' to Control?
How to Control It
The False Appeal of Reserve Asset Ratios
'The Corset'
The Prime Minister Blows her Top
Monetary Evolution
Building Societies

## Chapter 8: Sterling and the 1980-81 Recession

The Sharp End
Sterling Climbs in Earnest
Shock Treatment versus Gradualism
Reasons for Sterling's Strength
Sterling and the MTFS
Inflation Plunges
Job and Productivity Shake-out
Obstinacy and 'Bare Knuckles'
Treasury Devaluationists
A Retrospect on the Sterling Overshoot
Thatcherism in Zurich

#### Chapter 9: The 1981 Budget

The Origins
A Penchant for Company Cars
Taxing the Banks
Biting the Tax Bullet
The Fiscal Arithmetic
The Political Row
The Economic Row

# Chapter 10: "There is No Alternative"

Making the Case
'Man Years of Unemployment'
"Where will the Growth Come From?"
Public Spending and Local Authorities
'Funny Money'
The Civil Service Strike
'Fresh Faces'
The EC Budget
The Dawn of the EMS
Postcript on Indexed Gilts

#### PART TWO: CABINET MINISTER

Chapter 11: On Becoming a Secretary of State

Member of Cabinet
Life as a Minister
Cabinet Meetings
The Falklands Cabinets
The Thatcher Style
The Abuse of Information
Consent of the Victims

Chapter 12: The Department of Energy

Policies and People General Economic Policy

Chapter 13: Coal-1: Digging for Victory

The Initial Retreat
Preparing for Conflict
The Battle for the Vale
Mobilising against Scargill
Increasing Endurance

Chapter 14: Coal-2: Completing the Task

The Great Headhunt
The Advent of MacGregor
A Famous Victory

Chapter 15: Energy Myths

The Chimaera of 'Energy Policy' Fads and Forecasts
The Nuclear Delusion

Chapter 16: The Price is Wrong

The Politics of Gas Anatomy of a Row The 1982 Party Conference Electric Shock Theories of Electricity Pricing

Chapter 17: From the North Sea to the Gulf (the Political Economy of Oil)

The Oil Price Explosion
The Varley Assurances
What to do with the Black Gold
Rent from the North Sea
Sheiks of Araby
North Sea Retrospect

Chapter 18: Privatisation-1: The Jewel in the Crown

The Coming of Privatisation
The Myth of Pendulum Politics
Nationalisation: The Experiment that Failed
Mules are not Zebras
Wider Ownership
A Low Key Start
All Change at Amersham

Chapter 19: Privatisation-2: The Birth of Popular Capitalism

A Vector Quality
Showdown in the Showrooms
Compressing British Gas
No 'People's Stake'
BNOC into Britoil
The British Telecom Breakthrough

Chapter 20: Privatisation-3: The Programme Reaches a Climax

Trouble with the Lawyers
Privatisation Gathers Pace
The Company Nobody Owned
Hot Water
The Exploding Share
Assessment
Appendix: Privatisations by Share Offer, 1981-91

#### PART THREE: THE VIEW FROM NUMBER ELEVEN

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A Bland and Excellent Manifesto
The 1983 Election
The Call Comes
"Only she would have given it to you"
An Unusual Politician
Presentation and Strategy
Some Political Aspects
Press, Speeches and Papers
The 1983 Reshuffle
Life Above the Shop
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Chapter 22: All the Chancellor's Men

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Surprise Choice for Bank

Chapter 23: A Job with Few Friends

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The Finance Ministers' Trade Union
Steering the Economy
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The Shock of the Leaks

Chapter 24: Controlling Public Expenditure

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The Star Chamber
The Autumn Statement
Bye, Bye 'Fiscal Adjustment'
Debating the Statement
"They give you the figures"
Why No Capital Budget?

## Chapter 25: The Taming of Leviathan

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There may not be a better way
A Science that is not there
A Riot in the Cabinet
The Green Paper
The 1983 Spending Round
The 1984 Round and the Brighton Bomb
Rage over a Lost Pound Note
The 1985 Round - Leviathan Tamed
A Defence Breakthrough
Nimrod and Zircon
1986 - The Pre-election Round
Retrospect on Leviathan

#### Chapter 26: The Making of the Budget

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The Final Run-in
The Prime Minister's Role
Cabinet's role
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Drafting the Budget Speech
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The Budget Broadcast
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#### Chapter 27: An Agenda for Tax Reform

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A Memo to the Prime Minister
Only one Chancellor
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The Tax Proportion
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Lower Rates and Fewer Breaks
Towards Neutrality
An Expenditure Tax?
Virtuous Non-neutrality
Time-limited Reliefs
Discouraging Fiscal Outlook

#### Chapter 28: My First Budget

The Tax Package The Overall Strategy Tax Principles Some Successful Theatre Tax Abolition Corporation Tax Reformed... ...and Slashed Debt v Equity Finance Stock Relief **Small Business** Nissan Let-out Life Assurance and Stamp Duty **VAT Vexations** Fish and Chips... ...but not Newspapers Raising Thresholds An unexpected triumph... ...without a Political Dividend

## Chapter 29: Protests, Pensions and PEPs

1985: The Anti-climax The Reform of NICs Raising Thresholds Again Bond Washing by Candlelight 1985: The Budget I Wanted Civilisation in Danger Home Dear Home An Astonishing Lobby Pension Fund Objective Nature of Pension Fund Privilege **Taxing Capital** The Green Paper That Never Was The Side Offensive Thinking Behind PEPs, 1986 Beyond Loi Monory Levelling Up the Field The Origin of 'TESSAs' Back to the Lump Sum, 1987 The Pension Relief Cap, 1989 An Assessment

## Chapter 30: Back to the Basic Rate

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Budget Objective for 1986
How to Use a Small Sum
The Politics of a Penny off
Basic Rate versus Thresholds
Budget for an 'Enterprise Culture'
My Own High Noon
1987: Pre-Election Budget
But Still Cautious
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The 1 per cent Borrowing Rule
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"Yes, of course I do"

## Chapter 31: My Most Controversial Budget

1988: Reforming Personal Taxation
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A Balanced Budget
If Only I Had Known
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Relative versus Absolute
Aligning Capital Gains
Restricting Mortgage Interest Relief
The Attack on Perks
Forestry Freebie Felled
A Triumph Marred
Tailpiece: Stirling Devalued

#### Chapter 32: My Last Budget

The Kink and the Elephant Trap 1989: Making the Best of It Colleagues Against Alcohol Search for Savings Incentives Demise of the Earnings Rule The Lingering Death of Stamp Duty Unaudited Accounts? Official Secrecy A Fair Deal for Married Women

Appendix to Chapters 28-32
The Howe-Lawson Tax Reforms

## Chapter 34: Money Talks Everywhere - 1

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Summits and Circuses
Trinidad no Holiday
The Washington Scene
Countries Can Go Broke
[Further subheadings to come]

#### Chapter 35: Money Talks Everywhere - 2

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Hong Kong Excursion
Debts and Deficits, 1984
A New Realism in the Third World
The London Summit
Living with German Coalitions
A New Press Secretary
No Global Debt Solution
Wasting Breath on the US Budget

# Chapter 36: My Fundamental Monetary Principles

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The British Experiment
Macro and Micro
No Jobs - Inflation Trade-off
A Nominal Framework
Exchange Rate Mechanism
Principles and Practices
Reaction to Shocks
The Counter-revolution in Retrospect

# Chapter 37: Tackling the Labour Market

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The Role of the Treasury
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Pay and Productivity
The So-called Regional Problem
Jobs of the Move
Nil Desperandum

Chapter 38: "Where will the jobs come from?"

The 'Lump of Labour' Fallacy
Job Losses of the 1980s
Manufacturing Background
Pay and Jobs
The Yellow Paper
Home Truths from Washington
A Human Problem
An American Example
Unions or Employers?
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Restart In, Workfare Out
Jobs in Boom and Recession

Chapter 39: The Myth of a Monetarist Golden Age

Far From Plain Sailing
What is Money?
A National Cash Limit
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Preconditions for ERM
Consulting the Guru
Transactions Balances
Cash in the Pocket
White Tie Monetarism
Better in the Real World
New-Old Targets
APPENDIX: Overfunding and the Bill Mountain

Chapter 40: The Sterling Crisis of 1984-85

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Ours Not to Reason Why
Mansion House Fictions
Misplaced Dollar Fixation
The Ingham Run on the Pound
Damage Limitation, January 1985

Chapter 41: [Judge and Jury]

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Getting the Words Right
Insurance Against Depression
Hawks and Doves
High Taxes and Low Interest Rates
Interest Rates and Sterling
Savaged at a Seminar
Judge and Jury

Chapter 42: Enter the ERM

Gaining some Advantage
The Official Line-up
Replenishing the Reserves
First Number Ten Discussions

Chapter 43: The Autumn Assault of 1985

The Meeting of September 30 Secret Mission to Germany Retrospect If the UK Had Joined in November 1985... Appendix: The 'Walters Critique' and All That Chapter 47: Consumer credit

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page 9-10

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MR LAWSOL

Mr Turnbull
Mr O'Donnell

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#### Memoirs by Mr Nicholas Ridley

Mr Ridley's memoirs are due to be published, earlier than
--- scheduled, this weekend. I attach lines to take, both on general
issues and on specific allegations, such as the suggestion in
tonight's Evening Standard that Mr Ridley has rejected the
--- suggestions made under the Radcliffe guidelines. I attach
copies of both the Evening Standard article, and the recent oral
question to Mr Renton dealing with this issue.

MISS A M HAWKINS

Aure Hawkin

5 July 1991

#### Mr Nicholas Ridley's Memoirs

- Q: Why was the book submitted to the Civil Service?
- A: The Radcliffe Report (Report of the Committee of Privy Counsellors on Ministerial Memoirs: 1976, Cmnd 6386) requires former Ministers, as well as former public servants to submit their manuscripts for scrutiny to ensure that they do not make disclosures which:
  - i. would contravene the requirements of national security;
  - ii. would be injurious to this country's relations with other nations; or
  - iii. would be destructive of the confidential relationships on which our system of government is based.

Clearance does not imply either accuracy or official endorsement of opinions; these are a matter for the author.

- Q: Who cleared the book?
- A: Sir Robin Butler, the Cabinet Secretary as recommended by the Radcliffe guidelines.
- Q: Was it requested that 20 per cent of the book be cut?
- A: No. The details of the comments made by the Cabinet Secretary to the author are confidential.
- Q: Has Mr Ridley decided not to accept the suggested amendments made to him?

- A: That is a matter for Mr Ridley, (although we understand that he did take on board the majority of suggestions which we made. We believe he was scrupulous about holding on to the manuscript before submitting it finally to his publishers.)
- Q: Has PM read the book?
- A: Only in part.
- Q: What were his opinions on it?
- A: That is for him to say. He agreed with the Columb Secretary's proposed amend many.
- Q: Has Mrs Thatcher seen a copy?
- A: It is for her to say.
- Q: What about the Westland Affair?
- A: Book is a personal memoir but the account seems broadly in line with the statement given by the then Prime Minister to the House of Commons on 23 and 27 January 1986 and further amplified by Sir Robert Armstrong in evidence to the House of Commons Defence Committee on 5 February and 25 March 1986.

# ONDONER'S

# Ridley def cabinet in book

THIS WEEKEND will not be a restful one for the Government. For it marks the publication of My Style of Government: The Thatcher years, Nicholas Ridley's account of his career at the leaderene's el-

Reputedly paid an advance of £100,000 for his labours, Ridley—the aloof scion of an



Ridley and Lawson: colleagues

aristocratic Northumberland coal dynasty—has, I un-derstand, dismissed pleas from the Cabinet Office to remove certain passages from the book. As a consequence, few colleagues are spared. It is said that, inter alia, he wonders why Mrs Thatcher did not sack Nigel Lawson, her former Chancellor.

I hear that the book, which has already been read by the Prime Minister and many leading politicians, says that John Major's administration marks a return to humdrum government, and that Major, as Chancellor, intensified the recession by bumping Mrs Thatcher into the Exchange Rate Mechanism.

But it is Ridley's cavalier attitude to Cabinet secretary Sir Robin Butler and the Cabinet Office which is likely to send most reverber-

ations around Whitehall.
Under the "Radcliffe Rules", former cabinet ministers are recommended to submit manuscripts to the Cabinet Office for comment. Up to 20 per cent of the Rid-ley book provoked alarm and the manuscript was duly re-turned, scored through with

turned, scored through with blue pencil.

But Ridley would have none of it. One senior back-bench Tory MP, who has dis-cussed Ridley's book at length with the author, ex-plains what happened: "He has treated the Cabinet Of-fice as a free editing service." has treated the Capinet Un-flee as a free editing service: accepting changes like dates and facts, but taking no no-tice of anything else. He has driven a coach and horses through the voluntary convention of accepting Cabinet Office cuts."

Ridley, typically, does not see things like that "I wrote see things like that. "I wrote a book and when it was fi-nally finished, it was pub-lished. It took a long time to keep improving it, writing new drafts. But I have writ-ten it now, and it's been published."

agreement a month or two ago. There will be no further delegations until the autumn of next year. Then, when the new national arts strategy has been delivered to me by the Arts Council, I shall take further decisions about the delegation of those companies that remain with the Arts Council.

#### Amateur Theatre

30. Mr. Butler: To ask the Minister for the Arts what measures he intends to take to promote amateur theatre in the regions.

Mr. Renton: Amateur theatre is traditionally selfreliant. In the past 25 years or so there has been a sustained growth in amateur theatre, which has been encouraged by the regional arts association network and local authorities.

Mr. Butler: Will my right hon. Friend have a word with North West Arts to find out whether it can get together with Warrington borough council to find a new home for the Centenary theatre group in Warrington which has been displaced out of Crossfields?

Mr. Renton: I am sorry to hear of that difficulty. Amateur theatre and the arts generally play a vital role in arts provision in all areas, including places with limited access to professional work. I have already taken up with the Arts Council the question of that little company and I am glad to say that the Arts Board: North West will be writing to my hon. Friend today to tell him what steps it proposes to take.

#### Grants (North-West)

31. Mr. Hind: To ask the Minister for the Arts what proportion of the Arts Council grant in 1991-92 has been allocated to the north-west of England; and if he will make a statement.

Mr. Renton: The Arts Council grant to Merseyside Arts and North West Arts and its own estimated direct spending in the region amount to nearly £9.5 million. This represents 4.9 per cent. of the total Arts Council grant.

Mr. Hind: My right hon. Friend will be aware of the importance of the Arts Council grant to many of the cultural activities of the north-west. It is especially important to our orchestras, such as the Hallé and the Royal Liverpool philharmonic. Has my right hon. Friend any plans to assist the Royal Liverpool philharmonic with its ambitious project to expand and with its original costs, incurred by its taking over a new building in the centre of Liverpool?

Mr. Renton: I have met the chairman of the Hallé, and I know about its ambition to have its own concern hall in Manchester. That will require a good deal of money, but I hope that it will manage to raise considerable sponsorship, together with some support from the Arts Council. The appeal for the Royal Liverpool philharmonic is going well. I was delighted to be able to launch it some months ago. I hope that the Royal Liverpool philharmonic will soon have a redecorated home, and that the Hallé will have a new one.

#### Poetry

32. Mr. Wilson: To ask the Minister for the Arts if he will meet the chairman of the Arts Council to discuss support for poetry.

Mr. Renton: I meet the chairman of the Arts Council regularly for discussions on a range of subjects.

Mr. Wilson: When the Minister next meets the Arts Council chairman, will he discuss with him the threat to the existence of the magazine Aquarius, which is published by Mr. Eddie Linden? This small poetry magazine requires very little financial support, although it has been a breeding ground for many a poet who has proceeded to become eminent and successful. Will the Minister arrange with the Arts Council chairman for an application for support to be made?

Mr. Renton: I am well aware of the hon. Gentleman's interest in this subject and in the literary magazine in question. I assure him that the Arts Council provides help for literary magazines—usually as a one-off, as it prefers to avoid long-term commitments. I understand that no approach has yet been made to the Arts Council about Aquarius, but, if such an approach is made, the Arts Council will certainly consider whether it can give the magazine reasonable assistance.

#### CIVIL SERVICE

#### Book Manuscripts (Vetting)

36. Mr. Tony Banks: To ask the Minister for the Civil Service how many manuscripts of books have been submitted for vetting by the head of the civil service in the last two years; and if he will list the authors.

The Minister of State, Privy Council Office (Mr. Tim Renton): In the past two years 10 authors hae submitted manuscripts to the head of the home civil service under the guidelines of the Radcliffe report. Those whose books have so far been published include the right hon. Member for Leeds, (Mr. Healey); my hon. Friend the Member for Derbyshire, South (Mrs. Currie); my hon. Friend the Member for Sutton Coldfield (Sir N. Fowler); Lord Young of Graffham, Sir Alec Cairncross; Sir Bernard Ingham and Mr. Edmund Dell. Three others have submitted manuscripts but have not yet had their books published.

Mr. Banks: There are quite a few literary gems there. Is not the vetting procedure a bit of a nonsense? It has far more to do with preventing potential Government embarrassment than with protecting national security. Most ministerial memoirs—although not, of course, the book by my right hon. Friend the Member for Leeds, East (Mr. Healey)—are selective, impenetrable and tedious.

Would it not be far better if we scrapped the whole procedure and adopted a free system, so that everyone could be given the truth? I doubt whether, when the right hon. Member for Finchley (Mrs. Thatcher) writes her memoirs—no doubt they will be called "We Did It Our Way", or something of the kind—we shall read the truth about the Belgrano or Westland. Why do we not get away from all this rubbish? Ministers rarely tell us the truth in retrospect.

Menton: I am sure that the whole House will await the memoirs of the hon. Member for Newham, North-West (Mr. Banks) with eager interest. I hope, however, that he will show rather more loyalty to his Front-Bench colleagues than did Barbara Castle. According to her memoirs, the right hon. Member for Manchester, Gorton (Mr. Kaufman) was ticked off by Lord Callaghan for serving the Prime Minister and not the whole Cabinet. Apparently, Lord Callaghan said:

"Another of Harold's failures is that he has done nothing to reform the Civil Service, and merely comforted himself by surrounding himself with comics like Gerald Kaufman." I assume that, whether on the submits his memoirs to the Radcliffe committee rules, the hon. Gentleman will be rather more loyal to the shadow Foreign Secretary.

Mr. Aitken: Will my right hon. Friend be candid enough to admit that the vetting procedure is becoming a charade, partly because civil service vetters are incapable of distinguishing between security and embarrassment and partly because there are no sanctions against those who defy the suggestions of the vetting office? Is he aware that at least one ministerial author, whose memoirs will be published shortly, has taken no notice of the cuts that were suggested? Will he be taken off to the Tower of London when the book is published?

Mr. Renton: My hon. Friend well knows that there are no sanctions, but I must disagree with him: the system, which is voluntary, has worked well. Sir Bernard Ingham submitted his memoirs to the Cabinet Secretary and made all the changes that the Radcliffe rules require. It is better to have a voluntary system than a compulsory one, and by and large it works reasonably well.

Mr. Benn: Is the Minister aware that the Prime Minister has prohibited the publication of the evidence that I submitted to the Select Committee on Members' Interests, which contained the instructions that Mr. Callaghan gave Ministers about private financial interests? I have heard today from the Chairman of the Select Committee that, for that reason, he will not publish my evidence. Is he aware that, in the circumstances, I intend to publish it mysel?

Mr. Renton: I am interested to hear the right hon. Gentleman say that. Whether his decision is right, and whether he can justify it to himself, it follows in the tradition that he has followed in the past. In his memoirs Against the Tide", he said:

"when my civil servants turn up with a letter to undermine another Minister, I tear it up... That's more than can be said of other Ministers."

I think that he is probably following the same path of slightly idiosyncratic rebellion that he followed when he was a Minister in the Labour Cabinet.

#### **Next Steps Agencies**

37. Mr. Knapman: To ask the Minister for the Civil Service what improvements in customer service have been brought about by the creation of next steps agencies.

Mr. Renton: Improving the quality of customer service is one of the prime aims of next steps, and agencies are given targets for that. To quote but two of the many examples, the Meteorological Office's "Weather Initiative" provided umbrella retailers and manufacturers with advance information on the likelihood of last week's rain so that they could plan their production and distribution

accordingly. The Driver Standards Agency has reduced waiting times for driving tests, and in order to promote road safety, examiners will now explain faults made by learners.

Mr. Knapman: I am grateful for my right hon. Friend's reply. Does he agree that the next steps agencies will help to improve service to all consumers?

Mr. Renton: I have no doubt but that one of the main purposes of the next steps agencies is to give greater customer satisfaction, which will be achieved only by providing better service.

**Dr. Marek:** Does the Minister believe that one of the improvements in customer services as a result of setting up the agencies should be that applicants for income support should automatically be assessed for any other grant or benefit that may be available to them?

Mr. Renton: As the hon. Gentleman knows, we have been over this before. As I said, it is for the Secretary of State involved and the agency's chief executive to set the performance targets that he expects the chief executive to meet. If the hon. Gentleman would like to take this matter up with the Secretary of State for Social Security and the chief executive of the agency, I am sure that they will carefully consider his suggestion.

#### **Community Institutions**

38. Mr. Carrington: To ask the Minister for the Civil Service what steps he is taking to increase the number of United Kingdom secondees to Community institutions.

Mr. Renton: My Department has been spearheading a drive to increase the number of United Kingdom secondees to the European Community institutions. Since April 1990, the number of United Kingdom secondees has increased from 63 to more than 100.

Mr. Carrington: That increase is highly welcome. Does my right hon. Friend agree that the number of secondees and their seniority play a vital role in ensuring that the United Kingdom's interests are well represented at the formulation of policy in EC institutions?

Mr. Renton: I am sure that my hon. Friend is right. Secondments to the EC are an effective way of increasing our influence in the institutions. When secondees return to Whitehall, they bring back valuable experience which will be helpful in their Departments' dealings with the EC.

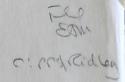
#### Disabled People

39. Mr. Harry Barnes: To ask the Minister for the Civil Service when he last met representatives of the civil service trade unions to discuss opportunities for people with disabilities.

Mr. Renton: I meet representatives of the civil service trade unions from time to time to discuss a variety of issues. They have not raised opportunities for people with disabilities with me, but my staff have regular meetings with them on this issue and keep me informed of progress.

Mr. Barnes: Does the Minister agree that people with disabilities have a great deal to offer in many places, including the civil service? Many have acquired considerable skills in tackling their disabilities, which





#### 10 DOWNING STREET

LONDON SWIA 2AA

From the Principal Private Secretary

SIR ROBIN BUTLER

#### NICHOLAS RIDLEY'S MEMOIRS

I have shown your minute to me of 31 May to the Prime Minister and he has glanced through the draft of Mr Ridley's memoirs, and in particular Chapters 9 and 10. He endorses the suggested amendments to bring the text into conformity with the Radcliffe Principles.

The Prime Minister shares your concerns about the political impact of this book but doubts whether anything can be done to tone it down or secure a delaying publication. He is aware that Mrs Thatcher has made some limited comments, but has not otherwise sought to influence the slant of the book or the timing of publication.

ANDREW TURNBULL 4 June 1991



Ref. A091/1349

MR TURNBULL

#### Nicholas Ridley's Memoirs

I think that the Prime Minister will want to be aware of Nicholas Ridley's plans for his memoirs, which he has sent to me to look at under the Radcliffe Rules.

- The book is a forthright justification of Margaret Thatcher and criticises her only when she did not go far enough in the policies favoured by Mr Ridley. It contains forthright criticisms of colleagues, particularly Sir Geoffrey Howe and Nigel Lawson, but there are also at least equivocal remarks about the Prime Minister and the present Foreign Secretary.
- 3. I have suggested to Mr Ridley a large number of amendments (copy attached) to illuminate disclosures of what went on in Cabinet or other private exchanges between Ministers. But these will not remove much of what is likely to attract attention in Much of Mr Ridley's criticisms are directed at the public decisions and policies of former colleagues and there is no locus in the Radcliffe principles to remove these.
  - The Prime Minister will not have time to read the whole book 4. which, as you will see, is very long. But he can get the flavour of the most sensitive passages by reading pages 23 onwards of Chapter 9 about Nigel Lawson's policies at the Treasury and the Madrid European Council and Chapter 10 about Mrs Thatcher leaving office (both flagged below).
  - Mr Ridley clearly intends these to be a defence of Mrs Thatcher. Instead they seem to me to give an appalling picture of relationships within her Government, which may well do the

Conservative Party a considerable amount of harm. It is relevant that the planed publication date of the book is 24 July and it is to be serialised in one of the newspapers (I do not known which).

6. Mr Ridley has told me that he wants to start making the text available to the newspaper concerned on Monday. So if there were to be any intervention with him on political grounds, it would need to take place very soon. As I have said above, I do not think that I can do any more to make his text more palatable under the Radcliffe rules; and indeed, from his comments, I doubt whether anyone will succeed in persuading him to hold up publication - unless Mrs Thatcher herself could be induced to do it.

FER.B.

ROBIN BUTLER

31 May 1991



#### CABINET OFFICE

70 Whitehall London SWIA 2AS Telephone 071-270 0101

From the Secretary of the Cabinet and Head of the Home Civil Service Sir Robin Butler KCB CVO

Ref. A091/1348

31 May 1991

Thank you for sending me the manuscript of your book "My Style of Government - The Thatcher Years", which I have now read.

As you will know, my job is to advise you on the application of the principles recommended by the Radcliffe Committee of Privy Counsellors on Ministerial Memoirs. There are three broad principles:

- the memoirs should not reveal anything which contravenes national security requirements;
- the memoirs should not contain disclosures which would injure this country's relations with other countries;
- the publication should not be destructive of the confidential relationships which ought to exist in Government between Minister and Minister, between Ministers and their advisers, and between Government and outside bodies or private people.

This letter, by agreement with you, does not deal with the first two of these three categories. I am having those matters checked by the Departments concerned, and will write to you separately about them (although from my reading of the book I doubt whether there are significant disclosures which fall foul of these two principles). This letter is concerned with revelations which might be damaging to confidential relationships within Government. Radcliffe puts it this way:

"Those who are to act together in pursuit of a policy agreed in common do require and expect the observance of confidence as to what they say to each other and unless they can be assured of

/the maintenance of that

The Rt Hon Nicholas Ridley MP House of Commons

the maintenance of that confidence they will not speak easily or frankly among themselves. Opinions, perhaps unpopular, perhaps embarrassing, will be muted or suppressed if they are known to be liable to future disclosure at the whim of some retired colleague. Business which should be discussed by the whole body will tend to be settled by two or three in a corner."

Some of what you say in your book is a graphic illustration of the dangers of this tendency!

Radcliffe sets three working rules, which can be summarised as follows:-

- (a) A former Minister should not reveal the opinions or attitudes of colleagues as to the Government business with which they have been concerned. That belongs to their stewardship, not to his. He may, on the other hand, describe and account for his own.
- (b) He should not reveal the advice given to him by those who serve him or confidences from people outside.
- (c) He should not make public assessments or criticisms, favourable or unfavourable, of those who have served under him.

The first of these working rules raises a major problem about the book. The whole theme of the book is about the stewardship of Margaret Thatcher. It is of course generally supportive (although not uncritical). A literal application of the first Radcliffe rule would make the book unpublishable; but, given that the book is generally about Margaret Thatcher's attitudes, I think that the guiding rule must be whether she is content with it. If she does not object to your account of her stewardship, I do not think that there need be any other objection to these parts of the book. But I would advise that you should try to establish (as I will also do) that she is content with the book and in particular that she has no objection to certain passages which, despite the general support which it gives her, she might nevertheless have objection to. The ones which I identified were:-

Chapter 1: Her remark about Jim Prior's becoming chairman of GEC (pages 24-25) and her remark about the planning permission for the housing development in the constituency of a Tory MP (page 30).

Chapter 2: Her remark about pressure to change her style of Government (page 1). Her views about potential successors (pages 29-32). Her use of Charles Powell to by-pass the Foreign Secretary and the Foreign Office and her exchange with you about the Foreign Office (pages 37-38).

<u>Chapter 4:</u> The revelation that, just before she left office, she called for a voucher system to be introduced after the next election (page 26).

<u>Chapter 9:</u> The suggestion that the Madrid conditions were a device by which Margaret Thatcher could buy time and perhaps delay indefinitely joining the ERM.

Chapter 10: Her remark about the Conservative Party election rules (page 59).

Chapter 11: The disclosure that she privately opposed the American invasions of Grenada and Panama (page 12).

As regards the attitudes of other colleagues, there is a great deal in the text about their attitudes, much of it critical. However, when you are criticising (as you are for the most part) their public actions, I do not think that there can be grounds for objection under the Radcliffe principles. However, there are a number of passages in which your criticism is based on what went on internally, in private exchanges between colleagues. The passages which seem to me to offend the Radcliffe principles in this sense are:-

Chapter 2: Your reference to Mrs Thatcher's lambasting Kenneth Baker during meetings on education reform (page 22); your description of the Westland Cabinet - although I acknowledge that it has often been described by others (pages 46-47).

Chapter 3: The account of Tom King's proposals for Bus privatisation and the Treasury's reactions to them (page 13); the reference to Jim Prior's reluctance to forward the first trade union bill (page 19); Jim Prior's forecast that Britain would become "ungovernable" if the unions were coralled by the law too tightly (page 21); and David Howell's wish to see a showdown with the NUM in 1981 (page 26).

Chapter 4: The reference to Mrs Thatcher "hammering" Kenneth Baker to produce a national curriculum (page 25); and John Moore's proposals for Health Service reform which were all rejected (page 31).

<u>Chapter 5</u>: Your discussion with Mrs Thatcher about Chris Patten's proposals on North Sea sewage sludge (page 12).

<u>Chapter 6</u>: The description of Michael Heseltine's proposals to the Cabinet on replacement of Rates, his own arguments against them and the division of the Cabinet (page 7).

Chapter 7: The account of Nigel Lawson's summarising the Delors report to Cabinet (pages 19 and 20); the attitude of members of the Cabinet and specifically Geoffrey Howe and Douglas Hurd to the Delors report (page 24).

Chapter 8: The description of the attitudes of named members of the Cabinet to economic policy (page 21-24) and the description of Geoffrey Howe's working relationships in the Treasury (page 32-33).

The reference to Nigel Lawson's working methods (page 3); the exchange with Nigel Lawson on credit and planning permissions and Mrs Thatcher's role in increasing mortgage tax relief (pages 22-23); the exchange with Nigel Lawson about the reason for the 1987 Stock Exchange crash (pages 27-28); the reference to the attitude of the Bank of England (page 30); and the statement that Nigel Lawson did not try to agree his policy with the Cabinet (also page 30); the account of the pre-Budget Cabinet in 1988 (pages 32-33); the disagreement between Mrs Thatcher and Nigel Lawson on shadowing the deutsch mark and its effect on their relationship (page 35); the absence discussion in Cabinet about the Madrid Summit (page 41) and the account of Nigel Lawson's and Geoffrey Howe's meeting with the Prime Minister before Madrid (pages 41-42); Mrs Thatcher's account to you of the Madrid Summit (pages 44-45); the reference to the relationship between Nigel Lawson and Margaret Thatcher after Madrid (page 47); the reference to Chris Patten trying to undo much of what you had been trying to do at DOE and his restraint by Cabinet (page 48); your exchange with Nigel Lawson at Blackpool (page 52); your subsequent exchange with him in London and your account of the meeting attended by Mrs Thatcher, Nigel Lawson and you after Malaysia (page 54).

Chapter 10: Your references to what went on within Cabinet and the attitude of named colleagues of EMU (pages 11-12); Margaret Thatcher's statement to you about giving way to the Chancellor and Douglas Hurd on ERM (page 15); the reference to Geoffrey Howe's arranging to be penultimate speaker in Cabinet (page 28); the disclosures about the way in which Geoffrey Howe and Nigel Lawson had treated Cabinet (pages 36-37); the accounts of exchanges between Ministers and Mrs Thatcher on the evening after the Conservative ballot and on the next day (page 48). I acknowledge that in the period covered by some of the events described in the chapter you were no longer a member of the Government, but you may feel that they still are based on knowledge of things said to you in confidence.

Finally, on advice from officials to Ministers and assessments, favourable or unfavourable of officials, you include favourable references to Patrick Brown, Bernard Ingham, Charles Powell and Jean Caines which I see no need to ask you to remove. But I should be grateful if you would remove the sentence at the end of the paragraph in the middle of page 36 of Chapter 2 and the last sentence but one of the following paragraph about the views of Charles Powell. Similarly, it is not the job of Government Press Officer to "build the image of their Minister" and it would not be helpful to Jean Caines to include the words on page 8 of Chapter 10:-

"She worked ceaselessly to improve by 'image'. It was an uphill task, but...."

Finally, while I have not checked the text for accuracy, there were a few factual points which I noticed, mainly on Chapter 2. There are no "No 10 cellars" (page 18) - the No 10 wine is supplied

by the Government Hospitality Fund; as far as I know, no <u>Cabinet</u> leaks were traced to Clive Ponting (page 25); the post of Principal Private Secretary at No 10 is not the prerogative of the Treasury as stated on page 36 - for example, it was occupied by Clive Whitmore during Margaret Thatcher's time - and it is an overstatement to say that Charles Powell came to be Margaret Thatcher's right-hand-man on all matters; Charles Powell did not generally write Margaret Thatcher's brief on foreign policy (page 37).

There may seem to be a lot of points here, but I think that they can all be easily dealt with, without doing too much damage to the theme or fabric of the book. If you would like to discuss any of them, I am at your service and I will be at home on Saturday morning and Sunday afternoon this weekend.

ROBIN BUTLER

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PRIME MINISTER

PRIME MINISTER

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Mr. RIDLEY'S MEMOIRS man future as your last poor, in his so,

Mr. Ridley has sent six Pohin Butlow the decision for charges - f. S. C.

Mr. Ridley has sent six Pohin Butlow the decision for charges - f. S. C.

Mr. Ridley has sent Sir Robin Butler the draft of his memoirs He hopes to publish on 24 July. This is helpfully near the recess but, if as Mr. Ridley hopes, the book is serialised, material will come out two or three weeks in advance of formal publication.

Sir Robin has written to Mr. Ridley listing a large number of points at which he feels the text conflicts with the Radcliffe conventions on ministerial memoirs. The main Radcliffe test is that publication should not be destructive of the confidential relationships which ought to exist in government between minister and minister. Some of the material, particularly in chapters 10 and 11, which deal with Nigel Lawson's Chancellorship and Mrs. Thatcher's demise certainly fail this test.

Even if Mr. Ridley redrafts the text to meet Sir Robin's points, it will still be a highly controversial book. It draws a very damaging picture of the lack of harmony, trust and teamwork within the Thatcher Cabinet. Although your Cabinet is very different from hers, critics of the Government will still be able to make a great deal of use of it. It is also possible that some of those criticised will be goaded into retaliation, creating an impression of disunity in the Conservative Party.

There are three options:

- take no further steps beyond the Cabinet Secretary's vetting;
- seek to persuade Mr. Ridley to delay publication until after the election;
- ask him to allow someone to go through the text with a political nose to identify those passages and phrases which the Opposition could seize upon. One person with

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the necessary political acumen who might carry some weight with Mr. Ridley is Norman Tebbit.

Another approach is to raise it with Mrs. Thatcher when you see her on Monday. She is reading the book over the weekend. She might be prevailed upon to persuade Mr. Ridley to tone the text down though I am not too hopeful of this. At a number of points, eg. the "pre-Madrid ambush" it says things she would love to have said but has either not dared to or not got round to writing.



ANDREW TURNBULL

31 May 1991 c:\pps\ridley (slh - jd) Ref. A091/1148

MISS CHARMAN

cc Mr Turnbull
Mr O'Donnell

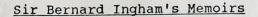
#### Sir Bernard Ingham's Memoirs

Your minute of 9 May asked for Sir Robin Butler's advice on the line to be taken by No 10 in answer to questions from the press on Sir Bernard Ingham's memoirs, due to be serialised in the Sunday Times from this Sunday. I attach our suggested line to take on the general questions on the memoirs, together with specific issues likely to arise on the Westland chapter, which I understand is expected to appear on Sunday. The Westland questions address mainly any possible discrepancies between Sir Bernard's account and the official account of events, given by the then Prime Minister to the House of Commons on 23 and 27 January 1986 and further amplified by Sir Robert Armstrong in evidence to the House of Commons Defence Committee on 5 February and 5 March 1986.

2. We spoke this morning about the people who should be informed in advance that the memoirs are being published. I have told DTI and MOD. You agreed that No 10 should contact Sir Leon Brittain. Mr Heseltine should also be informed. You confirmed that Sir Bernard had already been in touch with Mrs Thatcher.

Soura Rippard

MISS S C PHIPPARD



- Q Was the book cleared by the Civil Service?
- A The Radcliffe Report (Report of the Committee of Privy Counsellors on Ministerial Memoirs: 1976, Cmnd 6386) requires former public servants, like former Ministers, to submit their manuscripts for scrutiny to ensure that they do not make disclosures which
  - i) would contravene the requirements of national security;
  - ii) would be injurious to this country's relations with other nations; or
  - iii) would be destructive of the confidential relationships on which our system of government is based.

Clearance does not imply either accuracy or official endorsement of opinions; these are a matter for the author.

- Q. Who cleared the book?
- A. Sir Robin Butler as the Permanent Secretary of Sir Bernard Ingham's former Department.
- Q Did he ask for any cuts to be made?
- A Correspondence on memoirs is treated in confidence.
- Q Did Sir Bernard have access to government files/information?

- A Sir Bernard checked some factual details (eg dates) with the No. 10 Press Office. He did not request access to papers.
- What is the Prime Minister's view of senior civil servants writing their memoirs so soon after leaving office?
- A Provided that former public servants meet the requirements of the Radcliffe Report, it is a matter for them. [Sir Bernard Ingham has been given an unusually high profile by the media: it is understandable that he wishes to publish his own account of events.]
- Q Has the PM read the book?
- A No
- What comment does No 10 have on Sir Bernard's account of the Westland affair, the Falklands War, his criticisms of individual Ministers?
- A This is Sir Bernard's account of his own recollection of events. His account of the Westland affair accords with the then Prime Minister's statements to the House of Commons in January 1986.
- Q What is Mrs Thatcher's view of the book?
- A This is a matter for her.
- Q Is Sir Charles Powell going to write his memoirs?
- A Sir Charles is a serving member of the Diplomatic Service, and is not permitted to write memoirs while in the Service.

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## Westland

- Q Do you agree that the Westland affair arose entirely from Mr Heseltine's difference with his colleagues?
- A The views expressed in the book are Sir Bernard's. As he makes clear, Mr Heseltine was in no way involved with the disclosure of the Solicitor General's letter which is the main issue discussed by Sir Bernard.
- Sir Bernard admits that Sir Charles Powell knew that the Solicitor General had been asked to consider Mr Heseltine's letter, and that Sir Charles told Sir Bernard this before the Solicitor General wrote his letter. Is this compatible with Sir Robert Armstrong's account to the Select Committee?
- A Yes. Sir Robert explained that an official in No 10 knew that the Solicitor General had been asked to consider Mr Heseltine's letter. There is no suggestion that Sir Bernard knew that the Solicitor General was going to write a letter.
- Q Doesn't Sir Bernard admit that the letter was leaked? [Sir Robert said that it was an authorised disclosure]
- A No. Sir Bernard makes it clear that DTI officials had consulted their Secretary of State.
- Q Sir Bernard says that he expressed reservations about the plan to telephone PA. Is this true?
- A This is for Sir Bernard. Compatible with Sir Robert Armstrong's evidence to the Defence Committee.



- Q Is it true that Sir Bernard was 'at no time' asked to approve the disclosure?
- A Sir Robert explained to the Defence Committee the misunderstanding which arose between DTI and No 10 officials during the two telephone calls on 6 January.
- Q Sir Charles Powell's role in the Westland affair?
- A A matter for him.
- Q Does Sir Bernard's account add anything new to the Westland story?
- A No.

## Miss Phippard

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## SIR BERNARD INGHAM'S MEMOIRS

As you may be aware <a href="The Sunday Times">The Sunday Times</a> will begin serialising extracts from Bernard's book this Sunday, May 12. The book will be published on Monday, May 20. And we understand that Sir Bernard is doing a number of radio and tv interviews to coincide with publication. A profile of him is due to be screened on BBC 2 this Sunday evening at 7.10 pm under the title "Bunkum and Balderdash".

We have been giving some thought to what we might say in response to questions such as:

- was the book cleared by the civil service?
- did we ask for any cuts to be made?
- did he have access to government files/information? (for your information Bernard asked members of the No 10 press office to check for him factual details such as the number of overseas visits, European Councils and other summits Mrs Thatcher attended during her time in office)
- what is the Prime Minister's view of senior civil servants writing their memoirs so soon after leaving office?
- has the PM read the book/ what is his opinion of it?
- what comment does No 10 have on Sir Bernard's account of the Westland affair, the Falklands war, his criticism of individual Ministers?
- what is Mrs Thatcher's view of the book? (clearly this is a matter for her as are her own memoirs)
- is Sir Charles Powell going to write his memoirs? (again a matter for him but is he able to do so all the time he remains a serving civil servant?)

It would be helpful to have Sir Robin's advice on the line we should be taking on these questions. Also to what degree should we be advising Ministers of the imminence of the book's publication?

We are attempting to obtain a copy of the book "Kill the Messenger" from the publishers.

Could we have views by tomorrow evening please?

Sarah Charman Press Office

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May 9 1991

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Mrs Thatcher Lever once asked - let alone instructed - me to criticise a Ministerial colleague in Land dealings with Journalists. Nor did she ever imply that I should do so. She was not in the "rubbishing" business, though she could be very direct, not to say tactless, with Ministers to their faces. Nor did she ever ask or imply that I should "leak" any document or piece of information. She was not into leaking, either. That was not her style. She was far too straight for rubbishing or liaking. That was which her style so many of her political enemies. It was why they spent so much time laying seige to her reputation and that of her family. It also partly explains why I secured an unenviable reputation as a rubbisher of her Ministers and as a leaker of documents. If they had not "get" her, then I was bathe than nuthing, however flimsy the evidence. If they could "nail" me to their satisfaction, rather than to meet judges' requirements in relation to evidence, they could then attack her integrity by suggesting that I was operating as her agent.

Rubbishing and leaking were not my style either but they have become my hallmarks. How I came by them is an interesting commentary on the conduct of politics and Journalism in Britain. It is also an interesting reflection on the libel laws. If I were arich man, I should be far richer by now because of the libels committed against me over the last ll years. That would not, however, have staunched the flow of libel. It would merely have driven it desper into the House of Commons where the greatest rubbishers of them all, a low class of journalist, seek to persuade MPs to operate on their behalf behind the protective wall of Parliamentary privilege. They can blacken anyone if they can persuade an MP to make allegations or insinuations against an individual whether through a

Parliamentary Guestich or an Early Day Motion, tabled on the Order Paper, or through an intervention on the floor of the House.

My reputation that to be examined, first, in relation to my exposure as the Prime Minister's spokesman. As I have already indicated, I gave some 5,000 lobby briefings in my time at No 10 and about 30,000 other individual briefings. These figures do not include lunches and dinners with journalists, a substantial proportion of which were with groups rather than individual reports. If these averaged only two a week over 11 years, I chomped my way through at least 1,000 meals with the Fourth Estate. (This makes me sound like the best fed Chief Fress Secretary in the annals of Government. I certainly ate well, whenever I was given a choice in London, at Beotys in St Martin's Lane or the Howard Hotel on the Embankment). Not even the most malicious commentate. Its, it is enable to come up with more than half a dozen allegations against me of Ministerial "rubbishing" and if I had been rubbishing Ministers, no one need have any doubt that I should have been quoted doing so in The press. This means that, in my calculations, the mail my critics feel able the allege - and they was a market in the understate my failings - is a "rubbishing" rate of little more than one per 1,000 briefings. On such insubstantial bases are reputations constructed.

My reputation also needs to be examined against my position as an informant within Government. Let us leave aside the majority of Ian Aitken's 650 MPs who are dying to talk to him before he lasts fact but of the Palace of Westminster. They, by definition, know so much less than members of the Government. There are always 100 or so members of the Government - Mrs Thatcher mostly excluded - chattering away to journalists and heaven only knows how many Dovernment officials, all of whom brought their gossip (as distinct from Information) and prejudices to their contacts with the media. And within No 10 my monopoly was confined to formal meetings at 11am and 4pm with the lobby. For the rest, journalists

talked freely to whomspever would answer their telephone calls or go out for a meal with them. When all that lot had finished yacketing away to each other, sometimes the more fastidious journalist would check a point with me.

This is where we need to examine my reputation is all at my need to retain my credibility as an informant. If the point raised by a journalist concerned the standing of a Minister, the caller might well read all kinds of unjustifiable implications into my refusal to discuss the matter with him or my equivocation. The same considerations apply to mean the lobby. I had to perform an exceptionally difficult balancing act. I have be careful not to damage my credibility while at the same time avoiding the charge of undermining Sovernment Ministers. This was not easy when news reporters were not simply concerned with reporting what people said or did but with drawing conclusions from what they did not say or did not do, or how they said or did it, or from the tone of the last well informed, naive or the most prejudiced of contacts with journalists. In these circumstances, my exposure rate extended almost infinitesimally. By the same token, my alleged "militims," rate declined stasply from 0.0016 per cent. You could get in airworthings certificate on the basis of this manuarement of m, performance.

My reputation must also be examined against my recognisable and readily acceptable interests. How, it may be asked, did I stand to profit from "rubbishing" a Minister? What conceivable advantage could have accrued to me from lambasting a member of the Government? The cynical might argue that I stood to gain every advantage if I were acting at the behest of the Prime Minister and thought I could get away with it. Mowaver, as I have explained, the Prime Minister was not in the rubbishing business. I recognise that this is an assertion which I have no means of proving. Rut if Mrs Thatcher had been keen for me to play it by the Queensbury rules of politics — as distinct from her own far higher and

mith it. I would have had to be extraordinarily naive - indeed, naive to the point of being dangerous - if I thought I could get away with anything that the malevolent among lobby members could identify as a rod with which to belabour me and, more important, through me, the Prime Minister. I knew that anything I said at lobby meetings would, notwithstanding lobby rules about the unattributable nature of the proceedings, be rapidly traced back to me, even if I were not immediately identified as the source. I could guarantee that the vicious tendency among the lobby would work hand in glove with MFs to cause trouble on the floor of the House out of anything I may - or may not - say, if only for the sake of a story as distinct from the pleasure of supposedly causing me pain. I has also sufficiently experienced to know that even private conversations with individual journalists were by no means secure. As I have explained, too many members of the lobby were only too ready to reveal their sources to me and, therefore, presumably my remarks to others.

My reputation as a rubbisher of Ministers has also to be examined in the light of my being team player - in fact, as the team leader in terms of the co-ordination of the presentation of Government policies. What conceivable gain could I have secured from undermining Ministers when my every working hour was spent - admittedly, mostly through my staff - in contact all. Departmental press affices and heads of information? A life spent bad mouthing, as the phrase has it, their Ministers, to whom Departmental press officers awed their first loyalty, could only be calculated to cause disaffection and dissension within the ranks of the Government Information Service. I needed that like I needed a hole in the head.

To summarise: I most certainly had the opportunity to criticise and undermine Ministers in my contacts with journalists. But my motives pointed conclusively the other way: it was

much more in my interests to talk up rather than talk down individual Ministers. I had absolutely nothing to gain from criticising them. On the contrary, I had everything to lose, especially as the Prime Minister was not playing that game.

That does will, however, entirely dispose of the question of motives. It might be argued that, such was my relationship with the Prime Minister, it served her purpose admirably to keep Ministers on their toes. As sea captains go, she ran a hard ship. She did not spare the rod of her tongue when she was on the poop-deck with her officers. Two years before the Thatcher mast and you were either made or marred. So why should she baulk at some public "withdrawal of affection", as it was described. This sight be a good question but for two factors. The first is the malicious and gossipy nature of politicians themselves. They are almost paranoic about who is "in and out" and "up and down" in the Prime Minister's estimation. The second is the last of evidence of a systematic specialist by No 10 against members of the Government. My worst-case rubbishing rate of 0.0016 per cent is not exactly systematic.

Unfortunately, it remains the case that I acquired the reputation as a scourge of Ministers. There is no point in evading the issue. Time and again my friends among Journalists ruefully reported to me that Ministers were obsessed with my activities, dreading lest I would give them the black spot. My journalist friends were rueful, they said, because life would be so much more fun for them if only I would let myself go. Yet whatever the evidence, or lack of it - and not even a former Prime Minister, Mr Heath, or a former Lord Chanceller, Lord Hailsham, allowed that to get in the way - the perception was that I was never up to any good when I was commenting on Government Ministers. The thought that I might conceivably have a good word to say for any of them never seemed to enter the heads of most politicians and, least of all the heads of a lot of Ministers, to

judge from what my journalist friends told me. How, then, did I acquire this remarkable reputation?

possible that, Chief Press Secretaries being human, they can make mistakes. Unhappily, this is an unfashionable idea. Chief Press Secretaries seldom, if ever, make mistakes if the story dictates of the victime. They invariably have an ulterior motive. They are victime of the conspiracy theory of Government. I have been telling journalists for years that if only they would go for the cock-up theory they would be so much more accurate in their interpretation of events. It is a tip which I commend to all who would judge my reputation as a rubbisher of Ministers.

This reputation rests on two statements which I made to the lobby. In relation to Francis Type, than Lord President and Leader of the House of Commons, I said in 1982 that, like Tommy Handley's war-time "ITMA" radio character, Mona Lott: "it's being so cheerful as keeps him going". (Unfortunately, I got it wrong and attributed the remark to Mrs Mopp. This hardly supports the theory of premeditated crime). Four years later, in relation to John Fiffen, Lord Privy Seal and also Leader of the Hamse, I described him as "that well-known semi-detached member of the Cabinet".

Some people with whom I have discussed these remarks over the years feel that, as political currency goes, they were neither particularly cutting nor unkind. Indeed, John Biffen is reported to have found my remark about him rather witty. However, I make no bones about it: I should not have made such remarks and I wish I never had. But I did. I have never tried to deny doing so. The offence lay in two essentials: first, that I was a Civil Servant - and Civil Servants, however much they may swear about their Ministers under their breath, do not make India additions to journalists. Second, each of the

.amarks was all the more offensive for being incurate. Their accurac, was not surprising since Mr Fym and Mr Biffen were at the material times the Ministers responsible for coordinating the presentation of Government policy. I worked with them. I reported to them. I knew them well. I also had to face them after my remarks.

But how did I come to make them? The answer to this question puts the issue in perspective. It also shows the profession of journalism in a less than adequate light. I must certainly did not volunteer the remarks. Each arose from speeches made by Mr Pym and Mr Biffen.

First, Mr Pym. On February 1, 1982 he addressed the Allied Brewery Trades Association annual dinner. Reading again reports of his speech, I can only say how much sound, which stuff there was in it. But I can also not why it was interpreted as a gloomy executand why it raised critical questions in the minds of lobby journalists. The particular passages that were seized upon, according to the Financial Times, read:

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CHAPTER 20 Take 2

"The Government is completely committed to a long-term economic recovery that can be sustained, and a restoration of our ability to compete with, and beat our overseas rivals; but this cannot lead to an early return to full or nearly full employment, or an early impressed in living standards generally. New businesses are growing up all the time....but it will be a long time — and no one can say when it will be — before the new industries can hope to replace all the jobs lost by the demise of the old ones....this is a very painful period of transition and I think it would be dishonest to pretend that there is going to be a quick transition towards higher living standards. In the short run, living standards generally can only fall — which is part of the price we are paying for being too complacent".

Four years later, on May 11, 1986 Mr Biffen, speaking on London Week-end Television's "Week-end World" programme in the wake of heavy Conservative losses in the local elections and the loss of the Ryedale constituency in Yorkshire in a 1, relection, called for a "balanced ticket" at the next general election. This, according to the Times, was to "offset Mrs Margaret Thatcher's growing electoral liabilities". Mr Biffen said:

"....there is nothing extraordinary about the balanced ticket of the Prime Minister and some of the most powerful in the Conservative Party, one of whom probably would become Prime Minister in due course, being represented as a team. There is nothing extraordina., about presenting a team based upon experience and based upon a spread of views as being something which will be appealing to the public and which will secure their trust".

Mr Biffen added that, to assume because one party had a dominant figure, it thereby benefited at general elections "is not necessarily true at all". Without a team approach it would be much easier for political opponents to represent the Prime Minister as uncaring or trigger happy, and take advantage of her supposed failings. "I have no intention", he said. "we should fall for these kind of accusations. One very sensible way of offsetting it is to represent the Conservative Party along the lines I have indicated."

I cannot pretend that Mrs Thatcher was best planed 100 Albert of these public contributions from members of her Cabinet, though Francis Pym's was more a problem tone than content. It reflected his deep concern, as a thoroughly decent man, about the level of unemployment and the need to avoid exciting expectations of an early improvement. He was by nature a little gloomy and events proved him to be so. But it said nothing for the co-ordination of Government presentation, for which Mr Pym was responsible, since only a few days earlier, Sir Geoffrey Howe, the Chancellor of the Exchequer, had detected signs of recovery in the economy. Nor had Mrs Thatcher had prior notice of the speech. Mr Biffen's offence was much the greater. Leaving aside his responsibility for co-ordinating presentation of policy, which he laft to me, he had, alliely criticised the Prime Minister of the Government in which he served in terms which suggested she was an electoral liability. As the leader of the presentational team, he had justified doing so in team terms. A team player would have consulted the captain first. Neither of these contributions was calculated to make Mrs Thatcher's life easy on the floor of the House at her regular bi-weekly questions times.

Her response to both incidents on the floor of the House has been cited by the conspiracy theorists as evidence of duplicity. A contrast is drawn between her identification of what was good in each contribution and my alleged rubbishing of each Minister in the lobby room in the loft above. When the circumstances are stripped of journalistic cant, the picture

incident. This is so far from the accepted conspiratorial account as to require some explanation. It poses no problem, except in the warped minds of the "quality" press which have always mislaid the sense they were born with when convenient. Their standards of reporting would not have survived a fleeting moment's scrutiny from Will Ashworth, Walter Marsland, Tom Dickinson, Sir Linton Andrews or Alastair Hetherington.

First, what was Mrs Thatcher bound to do on the floor of the House, given that the Opposition (not to mention the press) were baying for blood and that she had not sacked Messrs Fym and Riffen? She most certainly was not going to also Opposition the satisfaction of criticing her Ministers on the floor of the House. In the circumstances, it does not take a genius to identify the solution. She would seize upon those many aspects of Mr Fym's speech and those (much fewer) of Mr Biffen's broadcast which served her purpose. If she had not tacked them, then she had to support them, even the ough clenched teeth. I did not have to do anything except support the Prime Minister and the Instancent - that is, the team. And that was not easy since they were not playing as a team.

Let me conflate the two incidents, four years apart. Picture the lobby, all foregathered, in its afternoon eyrie all scenting blood. It is not a pretty sight. The lobby in full tally-ho cry after a Minister - which happened roughly once every full moon - never was, though sometimes they could be painfully funny when they almost parodied themselves.

Messrs Naughtie (eventually The Guardian) and Bevins (ultimately, I jest, The Independent) both fuming with synthetic indignation. How, they whine, can the Prime Minister put up with Messrs Pym and Biffen when they are so unhappy either with Government policy or the Prime Minister? When Mr Pym, as the Minister responsible for the presentation of Government policy, has set such a pessimistic tone? When Mr Biffen has been subordinate?

The very authority of Government requires instant explanation and action - that is, sacking. How can you (you being the planatum for Government) allow this to go on? How can these papers be allowed to remain in the Cabinet?

I could, of course, have smiled blandly - always assuming that was within my capabilities - and told them not to be so preposterous. They knew the score. They were not born yesterday. I did all that, without the bland smile. I also tried to play down both incidents as hard as I could. Unfortunately, I did not make much headway through the rough water as the lobby came at me in waves. While they were just about ready to recognise that Mr Fym had expressed some admirable sentiments, his pessimism gave me difficulty. Mr Biffen, while recognised as "the nearest thing to a Government guru" (The Times), was felt to have gone a bit far, even for him. What was Mrs Thatcher going to do lura-astablish har authority? No need to do so, I assured them. The matter was unler control. They looked at me as if to say "Full the other leg, it's got bells on it". After repeated - four or five at least - attempts to get me to give ground and to acknowledge that the Frime Minister was considering the future careeers of Mr Fym and Mr Biffen (which would have produced the story the lobby wanted: "Maggie threatens sack"), I became exasperated with this play-acting. I tried to bring some reality to the proceedings by referring to the well-known propensities of Mr Fym as a somewhat gloomy chap and Mr Biffen as a well known and, often entertaining, commentator upon the political scene from within the Cabinet. Had I left it at that I might have escaped my reputation for rubbishing Ministers. Instead, I expressed myself somewhat colourfully in each case. In the case of Mr Pym I said something to the effect: "Oh for God's sake come off it, you know as well as I do it's being so cheerful as keeps him going". And in the case of Mr Biffen I said: "I really am surprised at you lot. You all know as well as I do that John Biffen is that well-known semi-detached member of the Cabinet".

These remarks were interpreted as a fierce attack by No 10 upon the respective Ministers whereas they were not intended unkindly and represented an attempt on my part to pass off Ministerial demands in the most convincing terms. The circumstances in which they came to be made were never reported by journalists. Members of the public might have imagined that I had deliberately set out to denigrate the Ministers. In fact, my comments were not volunteered. They were dragged out of me. They were neither pre-meditated nor authorised. They came off the top of my head. Those directed at Mr Pym caused a terrible fuss within Government. A number of senior people, including members of the Government, called for my head. I had fewer problems over Mr Biffen, even though it might be described as my second offence. On each occasion I immediately reported my remarks, and the lingualstances in which they had been made, to Mrs Thatcher and expressed my concern about the use that was likely to be made of them by journalists. She recognised that I had been put in a difficult position and made it clear that she would stand by me. Like Lord Whitelaw, she recognised that I occasied just about the most exposed post of any official in the Government service. But the notion that she either explicitly or implicitly licensed me to rubbish middle of 1, to coin a physic, rubbish.

end Chapter 20 Take 2



CHAPTER 20 Take 3

Another charge against me is that I gratuitously attacked Norman St John Stevas when he was sacked as Leader of the House in 1981. This came as a considerable surprise to me for two reasons. First, I am not usually accused of attacking Ministers after they have ceased to be a member of the Government because I cannot then be charged with undermining them. Intend, it is not awang to strongest recollections of Mr Stevas's Ministerial career. I recall much more his leading role in establishing Departmental select committees, his attachment to shocking pink as an office decoration and his coining of a number of witty phrases about the Prime Minister. I believe he is entitled to claim parentage of "The blessed Margaret" and "The Leaderene". But my strongest memory is of the extent to which I - \_ \_\_\_\_ more especially, my deputy. Neville Gaffin - tried to help him in those early years. As Leader of the House, Mr Stevas used to take the Thursday afternoon lobby to discuss first, the progress of Government business and then the Government scene and its policies. Ar Stevas clearly enjoyed playing on this stage. He have used a short word what a little one would do, and I recall one member of the lott, asking him what "exegosis" meant. Mr Stevas effortlessly and elegantly obliged. The problem for No 10 Press Office was that Mr Stevas often enjoyed himself too much found it difficult to say that he did act know the answer and "busked" it. His problem was not, as some alleged, that he leaked. It was that he sometimes did not get it quite right. Neville Gaffin, who used to attend "... Stevas's Thursday lobbies, and I found ourselves a little too often having to clear up, as best we could without making too much of an issue of it, after the Lord Mayor's Show.

The lobby loved all this. They adore a gossipy Minister. But they also knew first-hand what my problems were with Mr Stevas. Inevitably those problems were recalled when Mr

Stevan left the Cabinet. In the circumstances, the suggestion in the Daily Telegraph the following day that "sources close to her [Mrs Thatcher] were suggesting that he [Mr Stevas] had borne the brunt of concern about open and at times inaccurate portrayals in the press of what had been going on in the Government" were scarcely avoidable. I could not suddenly start denying to Jim Wightman, then the Daily Telegraph's well informed and dead attraight political editor, what from close observation he had long known to be the case. Nor was I going to do so. But there is one thing no one can allege against me in respect off Mr Stevas: that I sought to undermine him in office. On the contrary, both Neville Gaffin and I tried to help him. For performing this factors task St John Christe of Mr Steville Caffin St. Neville.

I was relieved after I had retiral from the Civil Service to read Robin Cakley, in the Times, write that I was "more sinned against than sinning" in respect of another charge against me. This was that I cruelly left Patrick Jenkin, Secretary of State for the Environment, and Peter Rees, Chief Secretary to the Treasury, "twisting in the wind" for the whole of the summer of 1985 before they were sacked from the Cabinetin September. If all the allegations made against me, the claim that I briefed journalists months before the reshuffle that Messus Jenkin and Rees were to be dropped caused me greatest distress. There is no doubt that both were treated dispulsefully if someone actually knew, months ahead of the re-shuffle, that they would be asked to go. In the person responsible was neither me nor any of my agents. We neither knew when the re-shuffle would be nor who would be involved, even weeks ahead. Had we done so, we would have been mad to speculate, for - apart from anything else - a week is indeed a long time in politics.

I knew little of Mr Rees but I had the highest regard for Patrick Jenkin as a man, having served him as a Minister. I would have done nothing to hurthim and everything to protect him. It was therefore a bruising episode for me. It illustrates one of the problems of a

press secretary operating in the highly gossipy and catty political environment who is determined to preserve his credibility. For whatever reason, anyone can start the hare of a Ministerial sacking. A press secretary, by definition, cannot stop it running when he neither knows when the re-shuffle will be nor who will be involved. The best he can do is to discourage speculation well ahead of his best estimate of when the Prime Minister will make changes. That is what I did.

Geoffrey Howe, which I deal with separately - I spent my time defending Ministers against None Model of Ministers and Mrs gossiped and then conveniently blamed me My remarks about Francis Fym and John Biffen lent their blame creditili. Iii. I dog a bad name.....

Tafile I discuss the unfortunate Sir Geoffra Newe. I tust record by in prise I lithe case of Michael Howard, as Minister of State at the Department of the Environment prior to water privatisation, has not been entered upon my charge sheet. To be charitable, this is probably because not even the conspiratorial tendency among the lobby have the gall to list it. The background is that on March 15, 1989, Martin Dowle and Mike Baker, both of the BBC, took me to lunch at Beotys. They were particularly interested in water privatisation against the background of Mrs Thatcher's having said that the issue had not been well handled. Who, they wanted to know, had she intended to criticise? I could see trouble a mile of They are not going to get me to difficise Ministers in the Department of the Environment. I told them that Mrs Thatcher was criticising the Government collectively. No Government could leave the presentation of such an issue to a single Department mass was generally Mrs Thatcher's point in relation to all Government policies. Everyone had to be involved and supportive. Whatever they (repeat they, the BBC's two reporters, for they were trying it on) might feel about Michael Howards's presentational

skills, I told them that he was doing a remarkable job (brilliant might have been a better word) in processing the legislation through the Commons.

Three hours later the BBC news was running a story, which had no foundation whatsoever in fact, that the Frime Minister was to lake charge of presenting water privatisation and was critical of Mr Howard. They even attributed all this to sources close to No 10 and flashed up some film of me for good measure, just to make sure that no one was in any doubt who the culprit was. Journalist friends rang me to say thyat I had been "stitched up". Not surprisingly, Nicholas Ridley and Michael Howard were very concerned. I had a number of conversations with them that evening. I also had a brish discussion with Martin Dowle who had told the tale on the BBC's news bulletins. By the time I had finished with him, I think he clearly understood that never again would be have the benefit of my personal briefing. He had blown it with me. Nor did he or Mr Baker ever have a personal briefing from me subsequently. So far as I was concerned, that kind if journalism left them dead in the water. Those who seek to impugn my integrity have to pay a price, and the more inconvenient that price for them the better. Just before I ratired, Mr Dowle tried to get a private word with me in the Commons' Frees Gallery. I simply waved him away. I operated on the basis that those who thought they could treat me in this disgraceful way would have to whistle for it in the fall ..

And now to Sir Geoffrey Howe against whom I am alleged to have done irreparable harmon his assumption of the role as deputy Prime Minister. That is inevitably a matter for dispute after his resignation speech in 1990 which prompted Michael Heseltine's fateful while yet to Mrs Thatcher. It might be argued that all also pales into insignificance. However, let me face the charge. On July 24, 1989 John Major emerged from Mrs Thatcher's study positively dazed. In the corridor I warmly congratulated him on his elevation from Chief Secretary to the Treasury to become Foreign Secretary. His elevation had been

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somewhat delayed. Sir Caoffrey Howe, the former Foreign Secretary, had stood on his obscurption with the format beautiful to the former foreign Secretary, had stood on his dignity and demanded - and eventually obtained - the courtesy title of daputy Frime Minister which had previously been personal to Lord Whitelaw. I congratulated myself the following day on the good reception in the press for the re-shuffle. But by 11.15am all my alarm bells were ringing. At that morning's lobby I had been confronted, mostly by John Cole, FRC, with the the most remarkably upbeat account of what Sir Geoffrey Howe's role as deputy Prime Minister would entail. It somewhat enlarged that played by Lord Whitelaw. And no one would ever play a bigger role than Lord Whitelaw did in any Covernment led by Mrs Thatcher. Sir Geoffrey, I learned from the Lobby, was to chair numerous committees. He would also deputise for the Frime Minister when she was abroad. Indeed, to lear the lobby talk. Mrs Thatcher was going out of business. They had been fed - indeed, stuffed would be a better word - with a load of nonsense by, I assumed, Sir Geoffrey's acolytes who were never credited in No 10 with much balance.

In spite of this, I did not seek to diminish II Cooffrey's role. I sought to explain the job as Lovi Whitelaw hal done it. (And subsequently, over lunch, I checked with Lord Whitelaw that I had got it right. I had). I was unable to say which Cabinet committees Sir Geoffrey would chair because the issue had not been decided. I assured the lobby that he would no more deputise for Mrs Thatcher when she was abroad than Lord Whitelaw had done. In these days of modern communications, with Mrs Thatcher in constant touch with Hallo there was no need for that. I thought it reasonable to assume that if Mrs Thatcher were to undergo an anaesthetic then Sir Geoffrey would assume responsibility for the period that she was incapacitated. But I had to remind the Lobby, when it was clear they were investing the post with a grandeur it did not possess, that it had no statutory foundation. It was a courtesy title bestowed at the whim of the Prime Minister herself.

This was not the only problem I had to face that day. When I met the lobby at 4pm I was completely flummoxed by the suggestion that Mrs Thatcher, the previous day, had offered Sir Geoffrey the position of Home Secretary at the possible expense of Douglas Hurd, who occupied that post. I had no knowledge of this and discounted the idea, only to discover when checking with No 10 that it might have been so, though no one could be certain because they did not know what had passed in private between Mrs Thatcher and Sir Geoffrey. This disclosure could only have been made by those wishing to damage 11.2 Prime Minister, requiriless of the wider interests of the Government. It had not been made by No 10. The effect of this was to leave the re-shuffle a wreck. The Frime Minister - and I. it was implied - had botched it. Worse was to follow Navid Waddington, the Chief Whip. popped in to let me know that Sir Geoffrey was complaining bitterly about my publicly downgrading the post of deputy Frime Minister. I promptly exploded and wrote a letter of complaint in Cir Gerffin, whose so-called friends had done both himself and the Government serious damage.) Meanwhile, of course, more friends of Geoffrey Howe - to wit, David Howell MF, who always had something against me, Patrick Cormack MP and the Fleet Street coteris led by Pater Jenkins (Independent) - spent their time on radio and television so in the newspapers attacking the wrong target. Instead of rubbishing me they should have turned on those who had so ridiculously talked up the role of deputy Prime Minister and revealed a private conversation between the Frime Minister and Sir Geoffrey about what post he might fill in the Government. But, of course, Sir Geoffrey represented the acceptable face of the Government to the Europhiles and assorted soft-centred intelligentsia.

I had an extremely frosty meeting on Thursday, July 27, with Sir Geoffrey Howe before he held his first lobby as Leader of the House. I subsequently minimised my contacts with him. I left no one in any doubt of my disgust at the treatment and misrs resentation I had acceived from this camp

CHAPTER 20 Take 4

I used to have a certain fascination with Michael Heseltine as a Minister. This was in no way diminished when I worked fairly closely with him, alongside Neville Taylor, in the Ministry of Defence in 1983 trying - successfully - to win the argument over nuclear defence prior to the deployment of cruise missiles in this country at the end of that year. I decided that, as a Minister with an eye for presentation and for conducting a campaign, he would be a joy to work with. We were on the same wavelength when it came to discussing a campaign. He was informal, unstuffy and resourceful and he had a built in or had probably built in a - corrective to his flamboyance and lability it go over the

The 'destland crisis in Government built up slowly. As it did so, it caused incredulity in Government that the fortunes of a company of such modest size could wreak such political devastation. It could only have done so because it became an obsession. And that obsession — to the exclusion of all reason, all balance and, in fact, much self-interest — was entirely for Parallille's. The Government had a clear policy: it was for the company to take decisions about its future in the interests of its shareholders and employees. But, given that the Government was a major customer, its policies and intentions were very relevant to those decisions. It was therefore very important that the company should be in no doubt about the Government's position. Mr Heseltine was determined that Westland should become part of some European cosortium. The rest of the Cabinet, in the absence of any viable European Consortium, wanted to keep Westland's options open, so allowing the company to link up with the United Technologies Corporation (the American Sikorsky company) and Flat, if it so chose. That is what eventually occurred.

Consequently, the story of Westlandgate, as the Watergate generation of journalists and work with the Glosques inevitably described it, is the story of one man's obsession. It is the history of this obsession which will, in my view, deny him his ultimate ambition to be Prime Minister of Great Britain and Northern Ireland. You can wave as many maces as you like in the House of Commons and you can flounce out of Cabinet on to the back benches, but if you are prepared to tear your own Government apart over a £30m company then a lot of people are going to think you really lack judgment. If there was any one item which, in my view, foiled Michael Heseltine in his bid to succeed Mrs Thatcher in November, 1990, it was his role in the Wattland Lifair.

I spent a lot of time in my relations with political correspondents trying to keep the lid on Westland, as it became known. I first became deeply embroiled in it on Wednesday, December 18, 1935 on the eve of the Cabinet which tried (and superficially succeeded short-term but failed longer-term) to raitine Bovernment unity on the issue. I fail able to discure this incident because, without my assistance, my role in it subsequently appeared in the Observer. I was called up to the Frime Minister's study about 7.30pm to find Lord Whitelaw, John Wakeham (Chief Whip), Leon Brittan (Secretary of State for Industry), Sir Robert Armstrong (Cabinet Secretary), Nigel Wicks (the Prime Minister's principal private secretary) and Charles Fowell assembled in solemn conclave. They had lich there for some considerable time, to judge from the atmosphere and the tea cups, discussing what do do about Mr Heseltine. The idea on the table was, in soccer parlance, to show him the yellow card. He was to be sent a letter which, in effect, told him to behave - to observe the Convention of collective responsibility - or else. Mrs Thatcher asked me what I thought about the idea. I promptly said they should not send such a letter. It would be taken as a sign of weakness. Mr Heseltine should either be sacked or left alone. But I made the point that the media were not expecting Mr Heseltine to be sacked and that if he were he would become a martyr to the European cause. Mr Heseltine

was not sacked and the letter was not sent. Ironically, if he had been fired I would never have been falsely accused, as I still am, of organising the leaking of a law officer's letter.

As the Westland affair developed I learned in detail and indepth the pressures that can be exerted on a Chief Press Secretary when Cabinet collective responsibility has intilled down and Minister are at war with each other. I was even involved on Sunday, December 22 in trying over the telephone from home to negotiate at long distance a period of Ministerial silence on the subject with Leon Brittan, the Minister responsible for the Westland company, at his home in North Yorkshire, Michael Heseltine, in Oxford, and the Net of Confe (A) The Frime Minister, was to try to persuade both Ministers not to go on air, as arranged. I failed because Mr Brittan had by then recorded his interview and the RBC, having got him on tape, were not surprisingly disposed to use it.

And Mr Heseltine was not prepared to remain silent if Mr Brittan was to broadcast.

My first day back from a much interrupted New Year break on January 6, 1986, was a fateful ..... 2.2r the previous wask-and I had read of yet another initiative by Michael Heseltine in his pursuit of a European consortium. This was his letter, which found its way into The Times on the Saturday, to the managing director of Lloyds Merchant Bank. It suggested that Westland might lose work in Europe if it linked up with Sikorsky/Fiat. I learned from Charles Fowell during the week-end that Mrs Thatcher was concerned about its accuracy in suggesting that all European Governments and all European companies involved in a couple of projects had indicated that Westland's participation in them might be incompatible with a Sikorsky link. Charles told me that the Solicitor General (Sir Patrick Mayhew) had been asked to look at the text and that he had reservations about its accuracy. The law officer had been called in after the Prime Minister had discovered that Michael Heseltine had not cleared his letter with the DTI and the Solicitor-General as she had cleared an earlier

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letter of her own on the subject. Had I been asked that week-end, I would have had no problems, arising from the Solicitor-General's involvement, in briefing journalists to the effect that the Government did not believe Mr Heseltine was correct on this point. I would not, however, have revealed the Solicitor-General's involvement. After all this, I found a strong feeling in No 10 and elsewhere in the Government on the Monday morning that we would have to be more robust in defending the Government's line on the need to keep Westland's options open. I conveyed that feeling that morning to Colette Bowe, an administrator without a background in information work who was doing a spell as the head of information at the DTI.

Had I not just been back from holiday and clearing a backlog of work over a salad in my office, Colette Bowe might have had some difficulty in getting in touch with me at around 1.3Cpm. Normally, I would have been lunching with journallits. To my surprise - indeed, my eyebrows shot up - she told me that she had been given Ministerial permission to "leak" the Solicitor General's letter to Mr Heseltine claiming that there were "material inaccuracies" in Mr Heseltine's letter published on the Saturday. Leaving aside Ministerial approval, I empressed grave reservations about the plan to give this information to Chris Moncrieff (PA) and wondered whether the point could not be made public in another way. I was told that the news needed to be in the public domain before a Westland press conference at 4pm. And Colette Bowe made it clear to me that the DTI hoped that No 10 - namely myself - would do the leaking. I refused to do so point blank. I had no authority to disclose the Solicitor General's letter. I told Collette Bowe that I had to keep the Frime Minister above that sort of thing. At no time was I asked to approve of the disclosure. I could not have done so without seeking Mrs Thatcher's specific permission, and I would not have been prepared to put such an idea to her.

What I ought to have done - and regret to this day that I did not -was to have advised Colette Bowe, regardless of her Minister's permission, to have nothing to do with the ploy herself. It is on the basis of this failure that the DTI feltable to claim that I - and, indeed, Charles Powell - had accepted that the letter should be disclosed. It was at best tacit acceptance in the sense that I did not actively object to a Ministerial decision of disclose it. Looking back on the entire incident, I can only put my failure to do so down to the extraordinary circumstances created by the breakdown of collective Cabinet responsibility. Although Colette Bowe said that her Minister had cleared the disclosure, unilateral action of this kind was unorthodox, to say the least. It was, however, no more unorthodox than the entirely independent and minority line being vigorously pursued by Mr Heseltine. In the event, the DTI telephoned Chris Moncrieff, disclosing the Solicitor General's opinion, though it did not release the text of his letter. I did not dissemble when journalists telephoned me when news of the letter broke. I confirmed that I knew of its existence and that it referred to "material inaccuracies" in Mr Heseltine's letter.

Much was subsequently made of my failure to inform Mrs Thatcher about the circumstances. I was in a position to reassure her that she had not been implicated and I did not see II as my rainability to tell her that one of her Ministers had given permission for the information to be disclosed. Moreover, I began to get early warnings of an inquiry. The more the idea of an inquiry was canvassed, the more Charles Powell and I wanted one. And the more determined we were to say what we had to say to an investigation — and to the investigation alone. Indeed, speaking for myself, the more blackened my character has been by my alleged involvement in this affair the more I wish there had been the police inquiry with which the Attorney-General (Sir Michael Havers) rushing to judgment threatened No 10. Eventually, Sir Robert Armstrong, the Cabinet Secretary, took evidence from me and others. Mrs Thatcher told the Commons on 23 January that Sir Robert, with the full agreement of the Director of Public Prosecutions and senior Treasury counsel, had decided

that there was no justification for the institution of proceedings under the Official Secrets Act "in respect of any of the persons concerned in this matter. I was never reprimanded. Indeed, throughout I had the strongest support from Mrs Thatcher and Sir Rotert who later gave evidence to the Defence Select Committee's inquiry. I and the other official players in this drama did not. That was because Ministers decided otherwise.

Ten months after these events Adam Raphael, then the Observer's political editor, wrote:
"'You will....do as you are....well told'. With these blunt expletives the Prime
Minister's press secretary, Bernard Ingham, touched off the Westland affair. The
instructions were directed at his subordinate, the chief information officer at the
Department of Trade and Industry, Colette Bowe, whose reluctance to leak the SolicitorGeneral's letter was the first stumbling block in Mrs Thatcher's campaign to discredit
her then Defence Secretary, Michael Heseltine, without leaving any finger prints"

I confronted Mr Raphael over this. I told him, as bluntly as I could, that I took the greatest possible exception to his retailing this entirely fabricated tittle-tattle without so much as a reference to me. I said that no doubt the reason he had not checked with me was that he knew I would deny it absolutely, thereby robbing him of a front page lead. I also read him a lesson on the implications of a Cabinet system of Government. Unfortunately, I said, I was not in a position to order anyone around. If I were, things, might be different. I could merely persuade and advise. Hence his suggestion that I spoke to Colette Fowe in those terms was a plain, straightforward lie. I then asked him who had fed him this concoction. Somewhat pathetically, he gave me to understand that it had been a Minister. I replied sarcastically: "Yes. And I bet I know who it is. And I'll bet I can tell you which bar in which club he told you". Mr Raphael did not look a happy man. The Minister I had in mind was neither Leon Brittan nor Michael Heseltine.

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It assume that the same Minister had fed him another sentence in his story: "Few of the Prime Minister's colleagues are now in any doubt that she inspired the leak of the Solicitor-General's letter in an attempt to bring her errant Defence Secretary to heel".

Well, I hope that they are now in doubt on the basis of my testimony. If there was a conspiracy to leak the Solicitor-General's letter then the conspirators forgot to include me in it. There was no conspiracy. There was no Westlandgate. My brother, speaking from his upland Pennine farm at the height of it all, got it right: "All you silly bloody lot down there have gone daft."

walk

Mr Heseltine resigned over the affair. He flounced out of Cabinet on Thursday, January 3, 1986, pausing, it is claimed, to comb his hair in the men's loo before facing the cameras outside No IU. I had to dispatch every press officer into Whitehall to to, to establish int he had said from reporters telephoning their copy from kiosks. His resignation took us by surprise. Eventually Christine Wall located Chris Moncrieff and got a verbatia account. Mr Brittan was forced out of office as a result of it. I am afraid, however, that the skids were under him long before this. The Parliamentary Conservative party wanted him out for a variety of reasons. Mr Kinnock acquired a reputation for failing on the great occasion - the debate on the affair on Monday, January 27. Mrs Thatcher, after jokingly saying, while she was writing her speech, that she might be out of office by 6pm that evening, went on to win her third general election. And I added a reputation for leaking to my many alleged failings. It's a funny old world, as someone once said. On Sunday. Canuary 26, 1986, while we were heavily engaged with the Prime Minister in drafting her speech for the Farliamentary debate the following day, Jim Wightman, my friend and political correspondent of the Daily Talegraph, asked to see me in No 10. What on earth. he asked, was going on? Here was I being accused of leaking when in the whole of the five years he had known as he had never had a single leaked document from me. He had never

known me to leak anything. Could I please explain? I was a bit inhibited then. Jim now has the answer in his retirement cottage in the Borders.

In my time I have also been accused of being careless with the currency. This is a rich thing to say of one of a large band of Yorkshiremen who are Scots shorn of all charity. We look after our brass. Moreover, I have spent most of my time in the Government's service trying to safeguard the value of the currency, with a conspicuous lack of success. It was not until Mrs Thatcher came along that someone really meant to do so. Yet it was under Mrs Thatcher that I acquired my reputation for being expensive with the reserves. I assume most commentators - Nigel Lawson's 'teenage scribblers - are too young to recall November, 1967. Very soon after the Government had devalued, Aubrey Jones, chairman of the Prices and Incomes Board, made a lunchtime speech in which he spoke theoretically about a second devaluation. (So late had the text of the speech arrived in press office that I read it properly for the first travelling to the event in the back of a car with Mr Jones). Talking of a further devaluation was an absolutely shocking thing to do-careless talk about the currency was as bad as careless talk about Britain's defences in wartime - and it temporarily knocked the pound for 40 points. Some of us later suspected that Mr Jones was in league with Mr Jankins, the Chancellor, to knock the pound off its parity because it was costing too much of our reserves to keep it on \$2.40. However I learned at a relatively early age that the pound was sensitive to what I did - or did not do in the case of Mr Jones, which would have been to tell him to scrap part of his speech. I was therefore programmed to be careful with the currency. I knew from experience the consequences of a wrong word in this area.

This leads me to my encounter with the Sunday lobby on Friday, January 11, 1985 when the pound was threatening to fall to parity with the dollar: £1 = \$1 (compared with around \$1.80 % the time of writing). Seldom outside the European Community or the Commonwealth



have I encountered such an hysterical lot of journalists. What, they asked, was the Government going to do about the pound? Soon it was going to be worth no more than \$1. Was the Government happy to see it continue to plummet? To find its own level? Or was it going to support it? This was not one of my happiest moments in life. I found this lobby extremely difficult just as Chancellor Nigel Lawson found example another (later) Sunday lobby over social security when his staff tried but failed to make a tape recording of the proceedings. No recording was made of mine, but there is no dispute about the facts.

I vehemently stated that the Government was not going to waste its reserves on supporting the pound. This was true since the Prime Minister had long concluded that trying to fight the markets with reserves was a waste of money and in the endineffective, though there was always room for some short-term "smoothing" of currency movements. Whether it was wise to say so was entirely another matter. Denis Healey, in the Committee corridor of the Commons, later rebuked me. Never ever, he said, give the speculators a one-way bet. As a matter of fact, I had not done so. I had confused the issue. Alone that Sunday, the Observer had forecast a further increase in interest rates which my briefing could have implied.

Mrs Thatcher was deeply concerned to awake to the REC news on Sunday morning that the Government did not care about the level of the pound. My briefing had come out very badly. We began to turn it round. But it was not until next day - the Monday - that the Sovernment raised interest rates by another 1.5 per cent. It was also next day that I got the Treasury treatment. I was called to a large meeting in the Chancellor's rooms in No 11 Downing Street. It was not convened for my good. For once, I had the presence of mind to put them in baulk. As I settled into a chair I found myself confronted with the Chancellor, Nigel Yawson, Peter Lilley, his Parliamentary Private Secretary, Sir Peter

middleton, Fermanent Secretary, and sundry other officials. I decided to that boldness would be my friend. I said that I had just come from a meeting with the Prime Minister who had agreed with me that the one good thing to come out of all this would be that we would acquire a policy. This caused the company to seethe in protest. But policy we got. Interest rates were raised more decisively than they had been on the previous Friday. I told the Frime Minister later that this would do the Government no longer-term damage. The timing mid-term could in the end be helpful.

Of course, I was pilloried in the press by "experts" such as Sam Brittan, Financial Times, who haver once approached me for a view. I often marvelled at the ease with which journalists who claimed a certain objectivity and uprightness for their journalism never practised it with me. Mr Brittan was all condescension and intellectual shotbery which are his stock—in—trades. I took it on the chin. I accepted responsibility. I did not blame the media for misraporting. I told the lobby that scarar or later a Chief Press Secretary was going to make a mistake and all I could ask of them was to look at my record of reasonably accurate guidance over the last five years. This went down very well with the lobby. Michael Jones (Sunday Times) whom I could have been accused of misleading the previous Friday, and Jim Wightman (Daily Telegraph) were particularly supportive. So were Lord Whitelaw and Mrs Thatcher. Indeed, at a lobby party at the House of Commons on Tuesday, January 15, when criticism of me was at its height, she went out of her way to praise me to groups of Journalists: "Bernard's marvellous. Isn't he marvellous. He's great. He's the greatest". It was very kind of her. I would not exactly have described myself as marvellous or great at that time.

Throughout her years as Prime Minister Mrs Thatcher was dogged by reports that she did not get on with the Queen. These were easy to deal with. I refused, as a matter of principle, to discuss relations between the two of them. Nor was I in any position to do so. Mrs

Thatcher disclosed nothing of her relationship with the sovereign. She regarded it as entirely confidential. It was a closed book. Consequently, when the Sunday Times on July 20, 1986, threw the book at the Prime Minister over her relations with the Queen I steadfastly refused to say a word. I was tipped off on Saturday lunchtime that the Sunday Times would report that the Queen was fed up with Mrs Thatcher's South Africa policy, her uncaring nature, for allowing the Americans to use British bases to bomb Libya a few months earlier, her approach to inner cities and an alleged breakdown in consensus within the realm. Andrew Neil, the editor of the Sunday Times, was never known to do things by halves on this subject. I tipped off the Prime Minister and the Palace. And only silence subject from No 10.

Two years later, however, the Sunda, labby asked me when the Queen would be making a State visit to the Soviet Union. I knew there were no immediate plans but I assumed that it could not be ruled out eventually, provided that reform in the Soviet Union proceeded satisfactorily. Mr Gorbachev had pulled out of Afghanistan. Consequently, I did not reject the idea of a State visit. Nor could I when it was perfectly clear to anyone that under ". Gorbachev's leadership our relationship with Moscow was warming. (The Princess Royal went there officially in 1990). Instead, however, of simply saying: "Not yet a bit", I talked around the subject, pointing up some of the considerations which might have to be weighed - the "butchering" of the Tsar and his family, admittedly 70 years ago, and the progress of reform and the improvement of human rights. I had no idea what advice the Sovernment might eventually tender to the Queen because I did not know how the circumstances might develop. I could therefore scarcely be accused - as I was by a notably pompous Daily Telegraph - of doing so. I also told the Sunday lobby, when I realised from their further questions that they were likely to present my background briefing in that light, that I would regard it as an extremely unfriendly act if they were to do so. They did. There followed one of those brief storms in the life of a Chief Press Secretary which cause him And the Sunday lobby went on short rations for a few weeks. It is very difficult to help some journalists.

end Chapter 20

## PART ends:-

AT to DOG. 6.2.91

PART 3 begins:-

BETNACT OF INCHAM'S BOOK UIO.