

PRIME MINISTER

*Arts + Ham*  
c. Mr. Wolfson

The Leicester Codex

Mr. Channon is considering this overnight. The recommendation made by officials is that he should announce on Thursday a one-month delay on the export licence, to allow public collections a further opportunity to consider whether they are interested. He will make it clear that he has already been in touch with the major public collections, and has found no sign of interest. He would also be announcing his decision on two other cases considered at the same meeting by the Reviewing Committee.

David Wolfson spoke to Sir John Foster on your behalf on Friday. Sir John confirmed that Mr. St. John Stevas had made it clear that it was within his power as Minister to overturn any recommendation of the Reviewing Committee. But Sir John was also clear that Dr. Hammer would not wish anything to be done which could damage his excellent relations with you. Sir John Foster has telephoned us several times today, after learning from Dr. Hammer that you said you wished to see him. He is inclined to press to see you. I do not think this is necessary, and you have very little time this week. Do you want to try to find two minutes to speak to him on the telephone, or can we leave it? *Yes Mr*

Mr. Channon's office have also considered the possibility of his announcing on Thursday that he would now issue an export licence because he had already been in contact with the major public collections, thus meeting the spirit of the Reviewing Committee's recommendations. But this would nevertheless be seen as overturning the Reviewing Committee's recommendations, and this has not been done before - the length of delay has simply been varied, and usually upwards rather than downwards. Thus such a decision would be very much open to attack. The Arts office are pretty confident that the arts world would accept it, but it is more the general muckraking journalist that we need to have in mind.

When Hammer left you, he hoped that there would be no announcement about the Codex until Mr. Channon had finally satisfied himself about the position of the public collections. Hammer in fact believes that he has got a bargain, and he is genuinely

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nervous that somebody else may spot this and therefore try to compete. We think he is mistaken in this. It is also very difficult to leave aside any announcement, because Mr. Channon cannot further delay a decision on the other two pending cases. If he simply makes no mention of the Codex, that will immediately arouse suspicion.

If Mr. Channon does recommend that he announce this week a decision to impose a one-month delay, I suggest that you should accept it and that we get the announcement made as quickly as possible. There can be no further argument with Dr. Hammer. In the interim, you need to decide whether to be in touch with Sir John Foster.

MD

9 February 1981