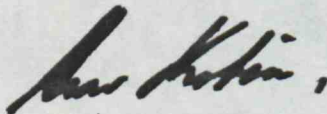


1 GROSVENOR PLACE
LONDON SW1X 7JB

TELEPHONE: 01-235 9021

7th March 1988

Sir Robin Butler, KCB, CVO
Secretary to the Cabinet and
Head of the Home Civil Service,
70 Whitehall,
LONDON SW1

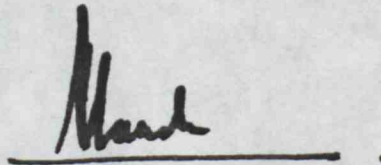


Further to my letter of the 1st March, I enclose a brief background memorandum which might be helpful.

In the case of both Bonn and Madrid the matter has been dealt with at the most senior level, and Chancellor Kohl is on the public record as having stated that negotiations are going well (I can provide further background information on this verbally if required).

Time, strategy and tactics in negotiations with the Baron will be crucial. I would recommend that not only does a letter go from the Prime Minister to Baron Thyssen shortly, but furthermore, if at all possible, a brief meeting with Baron Thyssen between the 13th-17th March would be an important step forward.

Yours sincerely,



Claude Hankes-Drielsma

Enc.

BACKGROUND MEMORANDUM

THYSSEN-BORNEMISZA COLLECTION FOR ENGLAND

For a considerable time, Baron Thyssen has considered moving his Collection from Switzerland. It was fully reported in The Economist of 9th May 1987 and the article referred to the offer that Spain had made.

A number of countries have made firm proposals during the last twelve months. There are approximately ten proposals, of which roughly three are receiving serious consideration.

On 13th April 1987 Sir Peter Smithers was at a private dinner with the Baron and Baroness and raised the possibility that the Collection might be housed in England. Both were interested in the idea but their subsequent enquiries in England, which certainly included The Hon. Jacob Rothschild, received a negative and discouraging response.

In late January this year, Claude Hankes-Drielsma was staying with Sir Peter and Lady Smithers in Lugano, and became aware that negotiations about the move of the Collection were reaching finalisation. At a subsequent lunch with the Director of the Museum, he discovered that there was no proposal from England. He also managed to identify some of the key proposals at that time. These included Barcelona, Madrid, Bonn, Stuttgart and The Getty. Clearly detailed and final proposals had been put forward to Baron Thyssen.

CDH-D discussed the idea with Sir Peter Smithers and decided to take some positive action as he felt it was totally unacceptable that, with a Collection of such magnitude and importance, England had not put in a proposal of any kind, nor had made any significant effort in this regard.

After consulting with a number of people, including the former Director of the Museum, CDH-D telephoned Baron Thyssen and arranged to lunch with the Baron and Baroness on Friday, 26th February. Discussions lasted five hours. A meeting of the family, i.e. the Trustees of the Foundation, was scheduled for Tuesday, 1st March, to review the proposals.

It was clear from the discussions that Baron Thyssen, as a result of the negative response, had totally discarded the possibility of the Collection going to England. ^{he had had,} CDH-D informed him that, contrary to the information he had received, England would be extremely interested in housing the Collection, and he was convinced that a proposal could be put forward which would match Baron Thyssen's requirements and wishes for the future of his Collection. He also emphasized that he was confident this could be done in a short period of time. It was clear that both the Baron and Baroness would welcome a formal British proposal, and Baron Thyssen gave a firm promise to CDH-D that the British proposal would have an equal chance of succeeding.

CDH-D is convinced that if the negotiations with Baron Thyssen are handled correctly, the tactics and strategy carefully worked out, and that our proposal not only meets the requirements but also demonstrates that we can be decisive and positive within a very short time scale appropriate to an opportunity of such significance, England can and will secure the Collection.

Following the meeting on Friday, 26th February, papers providing information about the Collection were sent by Paul Coleridge, the Baron's legal adviser in London, to CDH-D at his home address in Oxfordshire. CDH-D also spoke to the Baron on Sunday, 28th February, and by Monday morning, 29th February, had received a detailed list of the paintings involved.

On Monday, 29th February, a personal letter from Sir Peter Smithers to the Prime Minister, Mrs. Margaret Thatcher, was delivered to Downing Street, referring to CDH-D's visit with Baron Thyssen.

On Tuesday, 1st March, CDH-D wrote to Sir Robin Butler (Secretary to the Cabinet),. He also wrote to the Minister of Arts, the Rt. Hon. Richard Luce, suggesting a meeting that week.

At a Reception at Buckingham Palace on Tuesday, 1st March, CDH-D had an opportunity of raising the issue with the Minister of Arts, who informed him that, as a result of discussions he had had with Lord Gowrie in the past, he had gained the clear impression that Baron Thyssen would never consider the possibility of sending his Collection to England. (This total misunderstanding of the position probably arose as a result of a dinner in Lugano at which Lord Gowrie was present, when it appeared that the Collection would go to Spain.)

At 9.30 p.m. on 1st March, CDH-D met with the Minister at the House of Commons and briefed him on the situation. He also handed to him a copy of The Economist article and the letter he had received from Paul Coleridge.

CDH-D recommended that if at all possible the Prime Minister should arrange to see Baron Thyssen when he visits London the week of 13th-17th March, and should write to Baron Thyssen referring to his meeting with CDH-D.

The Minister will consult with a number of people to ascertain whether they would be available for a meeting with him and CDH-D to discuss the matter and be available to advise.

The Minister gave his total commitment to supporting this project in every way.

CDH-D also raised with the Minister the tremendous impact this Collection could have if it was housed in one of the inner city problem areas. Because of CDH-D's involvement with the inner cities, in particular as Chairman of one of the Business in the Community Target Teams, CDH-D strongly favoured an initiative of this kind.

However, the most important objective was for England to secure the Collection, and therefore we should have available a number of options.

It was agreed with the Minister that CDH-D would have overall responsibility for the negotiations and discussions with Baron Thyssen. Also, that it was crucial that no meetings or discussions took place without CDH-D being present, and without having prior discussed and agreed the tactics and strategy with him.

Both the Minister and CDH-D would be present at the Reception and Dinner at the Royal Academy hosted by Baron Thyssen on 16th March.

CDH-D also informed the Minister that he had had an opportunity of discussing the Collection with The Prince of Wales recently, and that the matter would be raised again with him on Thursday, 3rd March, with the idea of The Prince of Wales not only being involved, but also acting as Patron of the future Collection and Foundation.

On 3rd March at 6.00 p.m. the Minister telephoned CDH-D and informed him that a paper had been produced for the Prime Minister, who would be considering the matter over the weekend, and the position would be known early the following week.

CDH-D informed the Minister that he was in the process of discussing the matter in confidence with some key people with regard to private sector funding, including Hansons, Sir James Cayzer, The Duke of Westminster and Lord Vestey. CDH-D was also strongly supportive of the Minister involving Peter Palumbo. CDH-D had raised the matter with Peter Palumbo several weeks ago, as a result of which the latter had written to the Minister of Arts on 22nd February.

4th March 1988



CABINET OFFICE

70 Whitehall London SW1A 2AS

01-270 0101

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

Sir Robin Butler KCB CVO

Ref. A088/762

7 March 1988

Dear Eleanor

Thyssen Collection

Mr Claude Hanks-Drielsma called as arranged this morning on Sir Robin Butler and raised the question of the future location of the Thyssen Collection. He left a further --- aide memoire (copy attached) outlining the latest developments.

Mr Hanks-Drielsma raised the specific suggestion that, in order to give the British bid for the Collection an initial impetus, the Prime Minister should receive Baron Thyssen, and possibly his wife (though he suggested that the decision on the attendance of his wife should be left to the Baron), during Baron Thyssen's visit to Britain in the week 13-17 March.

In view of the immediacy of the matter, no doubt the Minister for the Arts will wish to offer the Prime Minister very early advice on this suggestion.

I am copying this letter to Andy Bearpark in No 10.

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

TEMPORARILY RETAINED 5 June 28/7/2016

*Yours aye
Paul*

(Paul Cuthbert-Brown)
Assistant Private Secretary

Miss E M Goodison
Office of Arts and Libraries