

Ref. AO88/2106

NOTE FOR THE RECORD

Pme Pimble²
to note.

N. L. U

11-7

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

Thyssen Collection

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

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

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

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

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

articles represented the position of the Trustees which was unaltered.

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

Trevor Woolley
T A WOOLLEY

8 July 1988