

CONFIDENTIAL



FILE
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10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

SIR ROBIN BUTLER

THYSSEN COLLECTION

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

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

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 The inclusion of the word "formally" might be interpreted as suggesting that while the proposal has been withdrawn "formally" it is still in some way on the table.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

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

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

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

N.L.W.

N.L. WICKS

19 July 1988

One Minute
Content with
A, B, and C?

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

Also content with
the suggested line at
X below ?

Ref. A088/2182

MR WICKS

Thyssen Collection

N. C. U.

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

18.7

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

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

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

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

X

L



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

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

FR.B.

ROBIN BUTLER

18 July 1988

DRAFT

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

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

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

MJ

DRAFT LETTER FROM SIR ROBIN BUTLER TO:

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

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

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

I really think I should answer it.

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

DRAFT WRITTEN QUESTION AND ANSWER

PM

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

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

~~without comment.~~



SRW

10 DOWNING STREET

LONDON SW1A 2AA

From the Principal Private Secretary

SIR ROBIN BUTLER

THYSSEN COLLECTION

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

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

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

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

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

N.L.W.

(N. L. WICKS)
18 July 1988

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cc Press Office 2



Pine Minutes

to note.

Ref. AO88/2166

MR WICKS

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

attached

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

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

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

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

The British Museum should also know.



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

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

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

NS Wadley
(Private Secretary)

ROBIN BUTLER

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

15 July 1988