



CND 4/Ki

Treasury Chambers, Parliament Street, SW1P 3AG

Charles Powell Esq
No 10 Downing Street
LONDON SW1

3 November 1989

Dear Charles,

PRIME MINISTER'S UNGA SPEECH

The Paymaster General much enjoyed reading the revised draft prepared by the Secretary of State for the Environment and circulated with his Private Secretary's letter to you of 1 November, though he was sorry to lose the parable of Easter Island and assumes that 'other stars' on page 2, line 4, should read 'other planets'.

The Paymaster's main comment of substance relates to the discussion of the environment and the national accounts on pages 11 and 15 of the draft. Both passages leave the impression that the national income accounts should be modified and improved so as to incorporate variables for the environment. With the best will in the world, however, this cannot realistically be achieved on any remotely satisfactory or comprehensive basis, and accounts which achieved only a partial and unsatisfactory integration of environmental costs and benefits would not in practice be of much use. What we can and should do is to recognise that there are more things in heaven and earth than are dreamt of in the national income accounts and to do what we can to improve the quality and coverage of our general statistics for the environment.

The Paymaster suggests accordingly that the first three lines on page 11 should be amended to read:

"... and to monitor the consequences scrupulously, in research and statistics".

On page 15, similarly, he suggests that the fifth and subsequent sentences of the middle paragraph must be revised to remove the idea of improving the national income accounts and substitute the idea of looking beyond these accounts and improving environmental statistics generally. The passage might then read as follows:

The Paymaster's other comments are as follows.

On page 4, last paragraph, the Paymaster suggests that the third and fifth sentences might be amended slightly, as follows:

"We are at this moment witnessing another spring ozone depletion ... it completely reverses the improvement observed last year ..."

On page 7, line 7, insert 'visits by' between 'support' and 'experts'. The sentence still implies that the new Climate Change Centre will finance the pay of experts from all over the world.

Also on page 7, third line from the bottom, 'and tropospheric ozone' could be added after 'nitrous oxide'.

On page 11, first complete paragraph, the Paymaster feels that this fourth principle about individual national contributions appears to conflict with the first principle about the paramount importance of international action. This difficulty could be overcome by expanding the second sentence of the paragraph along the following lines:

"International collaboration is of paramount importance. But it will ultimately be for individual countries to do what needs to be done, and the aggregate of what we do individually will comprise the international response to environmental danger."

On page 12, second complete paragraph, the Paymaster suggests that a reference be inserted in the third line to the need for economic analysis. The clause at the end of the first sentence would then read:

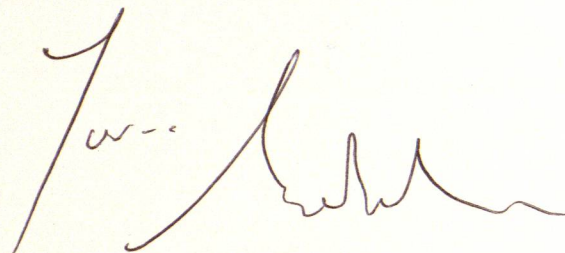
"... as the scientific understanding, the economic analysis and the political will come into balance."

On page 17, lines 6 to 7, I understand that ODA will be advising separately following discussions between Departments.

Finally, on page 17, middle paragraph, one might expand the third sentence slightly so as to read:

"What we do know is that we are losing species at a reckless rate (between three and fifty each day according to some estimates) - species which could perhaps be helping us"

I am copying this letter to Stephen Wall (FCO), Roger Bright (DOE), Stephen Haddrill (DEn), Roy Griffins (DTp), Neil Thornton (DTI), Andy Lebrecht (MAFF), Miles Wickstead (ODA) and Trevor Woolley (Cabinet Office).

A handwritten signature in dark ink, appearing to read 'Malcolm Buckler', written in a cursive style.

MALCOLM BUCKLER
Private Secretary