

CONFIDENTIAL



Foreign and Commonwealth Office

London SW1A 2AH

3 November 1983

*Jan Taha*

Greece: The Noel-Baker Estate

Thank you for your letter of 27 October enclosing copies of two messages from Mr Francis Noel-Baker about his family's problems in Greece, the background to which is set out in my letters of 28 July and 10 August to Tim Flesher. For ease of reference, I enclose copies of these and of the Prime Minister's letter of 11 August to Mr Noel-Baker. We shall be providing briefing on the problems British property overseas in general are facing in Greece for Papandreou's visit. It may, meanwhile, be helpful to let you have an up-date on the Noel-Baker case, which is sui generis.

Since my letter of 10 August, the Embassy at Athens have encouraged Mr Noel-Baker to negotiate with the Greek Government on the basis which the latter had said they were prepared to accept, i.e. Mr Noel-Baker's offer in May this year to donate the forest, which forms the major part of his estate, to Greece in exchange for a settlement of his tax liabilities. He delayed doing this until mid-October, when he instructed his lawyers to begin negotiations with Mr Papandreou's Legal Adviser, Mr Kasimatis. In doing so he instructed his lawyer to vary the terms of his original offer. This was contrary to the advice of HM Ambassador who had warned Mr Noel-Baker that his negotiating position was in fact a weak one.

On 26 October Mr Papandreou's Legal Adviser telephoned the Counsellor at the Embassy to say that Mr Noel-Baker had withdrawn his offer and was proposing to sell rather than donate the forest. He regretted that things had taken this turn, after his successful efforts to overcome what he called the 'reactions' from certain quarters to the proposed settlement, and after he had obtained Mr Papandreou's approval to the deal originally proposed by Mr Noel-Baker. So far as he was concerned 'Greek law must now take its course'. We take this to be a reference to an investigation being carried out by the Greeks into the

/Noel-Bakers' title

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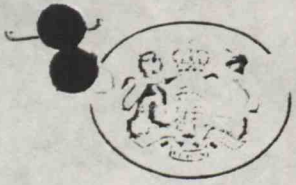
Noel-Baker's title to the forest. The Embassy are of the view that Mr Noel-Baker, in miscalculating the strength of his negotiating position, may have undone the chances of reaching a settlement with the Greek Government.

In these circumstances there is little more that the Embassy can do to help Mr Noel-Baker beyond giving normal consular assistance. The Foreign Secretary doubts whether it would be helpful, or appropriate, for the Prime Minister to single out Mr Noel-Baker's case as a specific issue to raise with Mr Papandreou during their talks on 4 November. If she were to do so, she would invite the reply that Mr Papandreou had already approved the method of solving the problem suggested by Mr Noel-Baker himself in May; and that it is Mr Noel-Baker who has changed his mind. Intervention on this individual problem would also lessen the force of representations on behalf of British owners of property in Greek frontier areas. This is a quite separate issue, affecting over a thousand British citizens, which we hope the Prime Minister will raise with Mr Papandreou. The Greeks have told us they are preparing legislation to deal with the problem; but we need to keep up the pressure on them to ensure that they do so. The Foreign Secretary therefore suggests that the Prime Minister should refer only in general terms to problems confronting British property owners. If you thought it helpful, it might be appropriate for one of the accompanying officials to be told subsequently that the Noel-Baker case was one of those which we hoped would be satisfactorily resolved.

BU | We will let you have a draft reply to Mr Noel-Baker after the Papandreou visit.

(RB Bone)  
Private Secretary

A J Coles Esq  
10 Downing Street



Foreign and Commonwealth Office

London SW1A 2AH

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28 July 1983

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John Tim

Thank you for your letter of 25 July to Chris Greenwood enclosing a copy of the Hon Francis Noel-Baker's letter of 22 July to the Prime Minister about his family's problems in Greece. I attach a draft reply.

The Noel-Bakers have had a large estate on the island of Euboea since the 19th century. Since 1975 they have been negotiating with the Greek Government over its future. They have sought to have their estate expropriated in return for compensation. The Greek Government apparently intend to resolve the question as part of the general policy on large estates (an election manifesto pledged to abolish them) and have refused to make a special case of the Noel-Bakers. Progress has been slow. There is a local pressure group which campaigns for the dispossession of the Noel-Bakers.

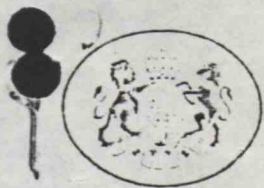
In May 1982 the Nomarch (Prefect) of Euboea banned all commercial activity (principally tree-felling) on the estate, allegedly to preserve public order. The Noel-Bakers, with support from our Embassy at Athens, have been trying to have this ban lifted, so far without success. The Greek Government have also now reopened the question of title to the estate which the Noel-Bakers had believed to have been settled in their favour in 1978.

Our Embassy in Athens keep in close touch with the Noel-Bakers about all this, and Mr Noel-Baker is himself calling on Lady Young at the FCO at 9 am on 29 July.

[Signature]

(R B Bone)  
Private Secretary

Tim Flesher Esq  
10 Downing Street



Foreign and Commonwealth Office

London SW1A 2AH

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10 August 1983

JS  
Mr Cook

Dear Tim,

Thank you for your letter of 29 July enclosing a copy of Mr Francis Noel-Baker's memorandum about his family's problems in Greece, the background to which is set out in Roger Bone's letter of 28 July.


The call by Mr Noel-Baker on Lady Young to which you refer was postponed from 29 July to 3 August. Mr Noel-Baker set out his grievances in much the same terms as his memorandum. He said that he would be seeking greater publicity for his case and asked for an "official demarche" to the Greek Government in his support. Lady Young told him that we would consider carefully what he had said, in consultation with our Embassy at Athens. The Charge d'Affaires in Athens, Dr Llewellyn-Smith would call on Mr Papandreou's Legal Adviser, Mr Kasimatis, on 5 August and would express our concern that the Noel-Bakers should be treated fairly and a solution to their problems found quickly.

In the event, the call by Dr Llewellyn-Smith on Mr Kasimatis was helpful. Kasimatis said that the Greeks were ready to proceed to a solution on the basis of an offer made recently by Mr Noel-Baker to donate the estate to Greece in exchange for a settlement of his tax liabilities. He thought that the details could be worked out quite quickly between the two sides' lawyers.

Lady Young's office were unable to contact Mr Noel-Baker by telephone, but we wrote to him on 5 August explaining what had happened and encouraging him to explore the Greek proposal further. We have also asked our Embassy in Athens to get in touch with the Noel-Bakers, when they return to Greece, as we understand they planned to do on 8 August.

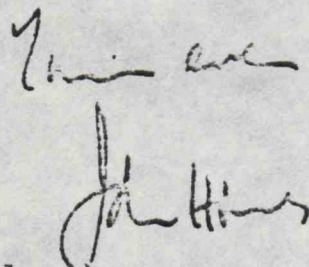
There have been false dawns before in this complicated case, but we judge that there is a chance of this latest development offering an acceptable solution to the Noel-Bakers' problems. If not, we will have to re-examine the position.

/We have



We have read the Memorandum provided by Mr Noel-Baker. It does not seem to add anything we did not know. We do not think there have been, as Mr Noel-Baker claims, any breaches of Community Law; but such questions, and the alleged breaches of Greek law, would be for Mr Noel-Baker to test if necessary in the Greek courts. For the moment however any such action seems to have been overtaken by the other developments I have referred to.

/ I enclose a draft reply from the Prime Minister to Mr Noel-Baker's letter of 22 July.



(J E Holmes)  
Private Secretary

Tim Flesher Esq  
10 Downing Street



10 DOWNING STREET

THE PRIME MINISTER

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11 August 1983

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WSG 361/3
RECEIVED
6 AUG 1983

Dear Francis,

Thank you for your letter of 22 July about your family's problems in Greece, and for your memorandum which I received subsequently.

Since then I understand that there have been further developments of which you will be aware which may open the way to a solution to the problem which has caused you and your family so much trouble and anxiety over the last few years. I very much hope that this will prove to be the case. Meanwhile, the Embassy at Athens stand ready, as in the past, to give whatever help they properly can.

Yours sincerely  
Francis Noel-Baker

The Hon. Francis Noel-Baker