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CAF

2 April 1985

De Lohri

PROPOSED SCIENCE AND TECHNOLOGY AGREEMENT WITH INDONESIA

I am somewhat concerned to learn that, in the context of the Prime Minister's forthcoming visit to South East Asia, consideration is being given to a favourable response to a request from Indonesia for a formal S and T agreement. My concern is on two counts.

The first is that such agreements, though convenient forms of expression of goodwill at the time, have yet to prove advantageous to the United Kingdom and bring with them obligations which are disproportionately time consuming for the scientific and technological community. Mrs Ransom, in her letter of 16 August 1984 (copy attached) to Sir Crispin Tickell pointed out a number of problems associated with such agreements and I believe those points still stand.

The second is that, although this secretariat is responsible for coordinating international science and technology, it was not consulted on this matter by the FCO. I assume the DTI has been consulted and that it has been able to assure the FCO that it regards this agreement of sufficient priority to be able to divert resources to it, but I have to say that I have my doubts over whether an agreement is worthwhile. Had I been consulted by FCO, I would most likely have advised against it, and for this reason, I am copying this letter to Charles Powell.

Yours ever,

Robin Nicholson

ROBIN NICHOLSON

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Sir Crispin Tickell KCVO
Foreign and Commonwealth Office
Whitehall
LONDON
SW1

16 August 1984

Dear Sir Crispin

PRIME MINISTER'S VISIT TO INDONESIA 21-25 SEPTEMBER:
PROPOSAL FOR A COMMERCIAL CO-OPERATION AGREEMENT

Dr Nicholson has asked me to register his views on the subject of bilateral technological agreements, in the light of the recent correspondence on an agreement with Indonesia. He would not wish to argue the pros and cons about the special merits of an agreement with Indonesia, but would hope the decision reached takes due account of some of the general problems affecting technical agreements.

Dr Nicholson recognises that, with many countries, such agreements appear to be a pre-requisite to strengthening commercial relationships, and he would not wish to underestimate the pressures this creates for an agreement. Moreover most of our formal science and technology agreements have been concluded with commercial benefits to the United Kingdom in mind. However, experience has shown that making these agreements work to the United Kingdom's advantage requires considerable efforts, and that, all too frequently, we are left with an agreement which creates demands on the United Kingdom science and technical community without equivalent reciprocal benefits. These agreements are, of course, extremely difficult to terminate, and an unserved agreement can cause friction.

Dr Nicholson has also become increasingly concerned about the ad hoc way in which we consider these matters in the United Kingdom. Proposals for bilateral technical agreements frequently emerge in connection with senior level visits, often at the request of the partner country rather than the United Kingdom. This means we are in danger of signing up, in a rather arbitrary fashion, a series of agreements on a purely responsive basis, without an overall assessment of where the United Kingdom's interests lie, and the sort of agreement and the sort of countries to which we should give priority. Furthermore, in almost every case, we are told we must have an agreement, because our competitors have one. But, when one enquires about the advantages they have derived from such agreements, the honest reply often reveals no advantage at all.

I know his concern has been echoed elsewhere in Whitehall, and the role of bilateral agreements with a strong science and technology component is a prospective agenda item for the first meeting of the new inter-departmental Committee on International Science and Technology relations. This should help establish a perspective on these matters from the science and technology angle, though of course there will always be wider diplomatic and commercial considerations to take into account.

ELIZABETH RANSOM

02 APR 1985

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