

W0594

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MR UNWIN

c Mr Wiggins

Mr Addison - No. 10

Dr Darnbrough

Mr Harris

15 August 1985

MISC 110 AND FOLLOW-UP

On his return from leave, Peter Harris has drawn my attention to an inconsistency in the way we have treated one of the recommendations of MISC 110.

2. In the report itself (paper E(A)(85) 53), paragraph 35a includes the clause "the volume of UK resources devoted by the Government to defence R & D" but in the Summary (paragraph 10a) the words "by the Government" are omitted and this omission is carried forward into the drafts covered by John Wiggins' to Mark Addison of 1 August and, in particular, in paragraph 4 of the draft note for the Prime Minister to send to the Lord President of the Council.

3. You will recall that there was some discussion between John Wiggins and myself on the right wording in this clause as I had expressed a preference for including the phrase "directed by the Government". John argued successfully that this was so specific (albeit what MISC 110 had in mind) that it offered a loop hole for MOD to evade the substance of our recommendation. On the other hand he did accept that we were talking about Government R & D resources and hence the final phrase in the report "devoted by the Government". Having discussed and agreed this important point in some detail, I do feel that the phrase should have been carried forward into the Summary and thence into

the draft minutes for the Prime Minister to send since the omission of the words "by the Government" really does change the meaning of the recommendation very substantially. It does for example imply that the Government would intervene to prevent a private sector company (for example a budding British Oerlikon) from spending its own private venture resources on arms development which neither the MISC 110 group nor this Government would have in mind to do.

4. I would therefore ask that the phrasing of this recommendation is kept to that discussed and agreed for the report itself throughout all subsequent material. I hope that you can agree to this.

*Rob N*

ROBIN NICHOLSON

SCIENCE : Budget : Pt 4