



DEPARTMENT OF TRADE AND INDUSTRY
1-19 VICTORIA STREET
LONDON SW1H 0ET

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Secretary of State for Trade and Industry

23 December 1985

N L Phelps
23 Connaught Avenue
East Sheen
LONDON
SW14 7RH

N L Phelps,

I have been asked to thank you for your letter to the Prime Minister of 19 November, the contents of which have been carefully noted.

As you recognise, the UK Government has made clear its view that other Governments should state their readiness to meet their share of the obligations of the Council's member countries. The UK is continuing to work both within and outside the Council to persuade member countries to support a solution which would provide conditions for an orderly return to trading in tin.

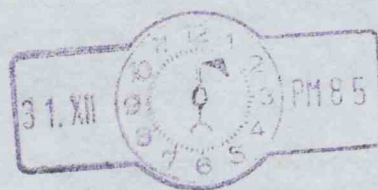
Although progress has not been as rapid as HMG would have liked, these efforts are continuing. As to whether you should pass a copy of this correspondence to Mr David Owen, that must be a matter for your own judgement.

Leon Brittan

LEON BRITTAN

DW5AFB

TRADE: Volume in movements: Jan 1985





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PS/ Secretary of State for Trade and Industry

31 December 1985

David Norgrove Esq
Private Secretary to the
Prime Minister
10 Downing Street
LONDON
SW1

NBP7

Dear David,

Regarding your letter to Michael Gilbertson of 22 November,
enclosing a letter from Mr Phelps, Secretary of the International
Tin Council, I attach a copy of my Secretary of State's reply. I
am sorry for the delay in getting this to you.

Yours ever

Gina M. Davis

GINA M DAVIS
Private Secretary

DW2AHT

QF
Do you wish to keep?
JL 25/11



088

10 DOWNING STREET

From the Private Secretary

Ack/ 22 November 1985

TIN

(SEE 19.11.85) → The Prime Minister has received a letter, attached, from the Secretary of the International Tin Council, writing in a personal capacity. I suggest that it would be better for you to reply, and deal with the final paragraph as you see fit.
BF //

David Norgrove

Michael Gilbertson, Esq.,
Department of Trade and Industry.

881

23 Connaught Avenue,
East Sheen,
London, SW14 7RH.

19 November 1985

The Rt. Hon. Margaret Thatcher, MP,
Prime Minister,
10 Downing Street,
London, SW1.

R20

David Noyman (22/11)

Dear Prime Minister,

I find it incredibly difficult to write this letter, since I am neither fish nor fowl nor flesh, according to taste.

For my sins, I have been Secretary of the International Tin Council for some 15 years now and, hence, privy to exchanges of correspondence which would not normally be shared with the public at large.

I am writing to you now not in any official capacity but simply as a private citizen, who happens to be employed within the Tin Council's Secretariat, to say that, apart from the positive statement made by the UK Secretary of State for Trade and Industry, Leon Brittan, on 1 November 1985, and the subsequent proposal by the UK delegation to the ITC that its Members should, at least, confirm their intention that the deficit arising on commitments up to the date of cessation of the Council's buffer stock operations on 24 October would be met by each of them according to their legal obligations, both my colleagues in the Secretariat and myself have been appalled by the seeming indifference with which this proposal has been met by other Member Governments.

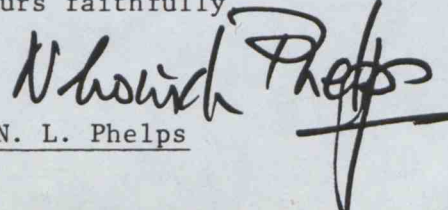
I understand that representations along the same lines have already been made to you through the medium of the London Metal Exchange as well as those financial institutions which have supported the buffer stock in its operations. Understandably, and perhaps cynically, it has been argued that the City's interests had to be defended, and that the statement by Leon Brittan was an expression of that cynicism by the UK Government.

A great number of us within the Council's Secretariat have, however, a broader view. We, probably naively, believe in the continued benefits to be derived from international co-operation. We understand the present problems involved and the fact that these will take some time to resolve - given the political and economic goodwill - which, since 1956 has characterised successive International Tin Agreements over the years, but which now seems to be sadly lacking, not least within our fellow EEC member States. We also appreciate that, behind the scenes, all parties involved are seeking to bring about the restoration of tin trading within an orderly market and at a reasonable price.

While these initiatives are being pursued I can only earnestly request the UK Government to prevail with its view, and to bring as much pressure to bear as possible on all Members of the Council to agree to a simple testament of faith - that its reasonable commitments will be honoured.

May I again stress, Prime Minister, that I am writing in a completely unofficial capacity. Subject to your discretion, it would however be appreciated if a copy of this letter could be sent to the Right Honourable Dr. David Owen, M.P.

Yours faithfully


N. L. Phelps