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PRIME MINISTER

17 July 1987

SPACE

I understand Lord Young's difficulty in finding additional funding for space bearing in mind that the benefits of the programme extend well beyond his own Departmental responsibilities. We created the E(ST) machinery to tackle just such issues and I should like to suggest that we now use that machinery to make one more attempt, before the recess, to reach a decision on the Space Plan.

2. Space is right at the frontiers of technology and the timescales from experiments to commercial application are long. It is right, therefore, for Government rather than industry to shoulder the main burden outside areas like communications where the commercial uses are established. As you know, I consider that space is important scientifically, technically, and eventually commercially, and that there is a good case for a programme even above Option 3.

3. I think it is of higher priority than some other areas of Government R & D, and therefore that E(ST) should try to find the money from other programmes. If you agree I will prepare a paper for consideration by E(ST) with my recommendations on where the additional funding shall be found.

4. I have previously argued, and continue to believe, that if we cannot fund space properly it would be better to withdraw altogether than to carry on with inadequate funding. But this is a very important decision. It would mean abandoning an area of technology in which all our major competitors are active, as well as a growing number of countries outside the first economic rank including India, Canada and even to some extent Argentina. Withdrawal would be bound to be conspicuous and must have some effect on our scientific and technological reputation, as well as relations with our current ESA partners. I understand consideration is being given to an announcement of our withdrawal from Space research and development in the House next week. It is also exactly the wrong message so soon after the publication of the White Paper in response to the House of Lords report on Government Research and Development.

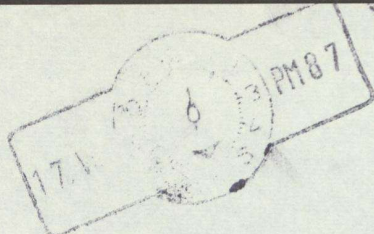
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5. Please may I have your agreement to consider this question with E(ST) as a matter of urgency.

6. I am copying this minute to Lord Young and to Sir Robert Armstrong.

JOHN W FAIRCLOUGH
Chief Scientific Adviser



COLLECTION

