



FCS/87/161

CHANCELLOR OF THE DUCHY OF LANCASTER

This minute properly discussing Prime Minister 21
This caused Mr Clarke not to make his statement today. (He made no attempt to consult you.)
There can be no question of making a unilateral decision. Do you want to leave Mr Clarke to discuss this with Sir G. Hine, or say that a further delay would be pointless?

Space and IT92

1. Thank you for copying to me your minute to the Prime Minister on these matters.
2. A decision as hasty and uncoordinated as this would be inconsistent with the extensive debates which have already taken place on the Space Plan within Whitehall. It would have considerable international implications, and we should not go ahead before the matter has been debated in the new E(ST) Sub-Committee, which was set up to look at important issues of this kind in a coordinated way. I note that John Fairclough shares this view and will have further papers to put to Ministers soon.
3. I do not follow your argument about the necessity of bringing the matter to a conclusion now and announcing our decision to Parliament. I thought the real cut-off date was the ESA Ministerial meeting on 9 and 10 November this year, and I reiterate my belief that we need a proper look at the subject before a final decision is communicated to this meeting.



4. Nor is it likely that the attempt to balance good news on information technology with bad news on space will succeed, given that quite different industry interests are involved. The effect of the UK largely withdrawing from the ESA activities and leaving the FRG, France and indeed Italy to continue in the exploitation of space would certainly have a most unwelcome influence on our image as a technologically advanced country. Withdrawal from participation in the international Space Station negotiations, which would follow immediately, would be seen as reneging on a project authorised at Head of Government level.

5. There is another domestic presentational drawback. A negative decision now would spoil the positive media coverage of our recent announcement of a new approach to scientific research and development under the Prime Minister's personal guidance. We should continue to capitalise on that good publicity, not put it in reverse.

6. For all these reasons I very much hope that you will not go ahead with a statement this week. ||

7. I am copying this minute to the Prime Minister and other recipients of your minute.

(GEOFFREY HOWE)

Foreign and Commonwealth Office

22 July 1987