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the department for Enterprise

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The Rt. Hon. Kenneth Clarke QC MP
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Dear Sir,

SPACE

Thank you for your minute of 9 February.

I am grateful for your general endorsement for my approach but I am afraid I cannot accept some of your specific comments. I do not think it is true that what I am proposing amounts to a withdrawal from space research by the UK. Indeed, I have confirmed my view that expenditure at current levels, which at approximately £120m a year is already a considerable sum, is justified. What I do want to make clear is that, having considered the position carefully together with our companies, we do not see any industrial, commercial or scientific case for participating in Ariane V or, as presently proposed, the Columbus Polar Platform.

This does not necessarily mean that we shall not participate further in major earth observation programmes. As I said in my minute of 1 February, I am proposing to consider this further. This is a point which I shall make clear in my announcement. It is also contained in the formal response which I have today sent to ESA (copy attached).

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Nor do I feel that there should be any difficulty in explaining our position to the Americans. There is no likelihood of any significant commercial returns for the foreseeable future for any of the major optional programmes proposed by ESA. Our own industry cannot agree on a preferred strategy and the programmes are bereft of any user participation.

You will wish to be aware that we are continuing to consider the options for space collaboration with other countries. You mention the Japanese. Although we have not said so publicly, we are considering their possible involvement in HOTOL. I shall also be making clear our continuing commitment to ESA itself.

I am copying this letter to the Prime Minister, George Younger, Nigel Lawson, Kenneth Baker, Sir Robin Butler and John Fairclough.

KENNETH CLARKE

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