

CONFIDENTIAL

(04)

ech



file

bc PC

10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

4 March 1988

EUROPEAN TRANSONIC WIND TUNNEL

The Prime Minister has seen the Chief Secretary's minute of 29 February about the question of United Kingdom participation in the European Transonic Wind Tunnel. She is very surprised to find that the project is now regarded as such limited benefit. Nonetheless, in the light of the commitment which she was advised to give Chancellor Kohl in 1985, she takes the view that we cannot now retire from the project without doing serious damage to Anglo-German relations. We should therefore go ahead. She very much agrees however that we must do everything possible to ensure that its costs do not escalate further.

I am copying this letter to the Private Secretaries to the Foreign and Commonwealth Secretary, the Defence Secretary and the Chancellor of the Duchy of Lancaster, to the Chief Scientific Adviser and to Sir Robin Butler.

(CHARLES POWELL)

Ms. Jill Rutter,
Chief Secretary's Office,
H.M. Treasury.

CONFIDENTIAL

181

Defence: Prouvenier