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The Rt Hon Norman Lamont MP  
Chief Secretary to the Treasury  
Treasury Chambers  
Parliament Street  
LONDON SW1

25 SEP 1989

Dear Norman,

Row

In your letter of 14 September to Nicholas Ridley you said that your agreement to his proposal that the DTI should negotiate within ESA on the basis that the UK would support the proposed ERS-2 satellite, in advance of the PES outcome, was conditional on my confirming that the DES contribution would be forthcoming, whatever the outcome of the PES discussions.

I agree with Nicholas that we must start serious discussions with ESA now, if we are to use our support for the ERS-2 to strengthen our hand over the Polar Platform negotiations. However, as you know from our meeting on 15 September, there are acute pressures on the Science Budget at this time, and I have to say that I cannot find the funds required from savings in the Science baseline, or indeed elsewhere in my programme. I am therefore making this one of my highest priority bids in our current discussions.

I am copying this letter to the Prime Minister, to other members of E(ST), and to Sir Robin Butler and John Fairclough.

Yours,  
JH

AEROSPACE: Space Power Proj.

