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From the Private Secretary

SIR ROBIN BUTLER

THYSSEN COLLECTION

Sir Peter Smithers telephoned the Prime Minister this evening to report Baron von Thyssen's first reaction to the proposals which you presented to him yesterday in Lugano. Mr. Hanks-Drielsma had seen the Baron again today and found him very impressed with the substance and presentation of our offer. No one else had produced anything remotely as attractive. His strong preference was for the Canary Wharf site. The Baron had raised two or three points, all of which were negotiable. His only anxiety was how to extricate himself from the agreements which he had already signed. In Sir Peter Smithers' view that should be no problem: the Trustees would sort it out for him. The Baroness' views were still an unknown quantity: her dog had died yesterday (not so far as I can establish as a direct result of your visit) and she was in consequence distraught and had not studied the proposals. Sir Peter Smithers said that he had taken on himself to produce a précis of them for her.

The Baron was keen for his son to have a copy of the proposals when they met in Holland on 24 May and Mr. Hanks-Drielsma was arranging that. The Baron was pleased with the appointment of Robert Alexander QC to handle the negotiations. He knew him well. Sir Peter Smithers concluded that in his view the matter was as good as settled in our favour.

The Prime Minister said that this was excellent news although we could not count our chickens. The opposition would certainly fight back. Our best course was to keep quiet and adopt a low profile. If we secured the Collection it would be a great tribute to Sir Peter's determination.

I am copying this minute to the Private Secretaries to the Secretary of State for the Environment, the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Attorney General and the Minister for the Arts.

(C. D. POWELL)
22 May 1988

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