BDOHP Interview.

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Charles David (Later Lord) POWELL (b. 6.7.41).

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This is an interview with Lord Powell on Tuesday July 18th 2000 conducted by Liz Cox on behalf of the British Diplomatic Oral History Programme

LC You entered the Foreign Office, I believe, straight from Oxford?

LP I entered the Foreign Office in 1963 straight from Oxford very shortly after my 22nd birthday.

LC What was it that attracted you to the Foreign Office as opposed to, perhaps, going in the services?

LP I never considered going in the services. What attracted me to the Foreign Office was I was a close friend at Oxford with Christopher Makins, who also joined the Foreign Office in the same year; his father had been ambassador in Washington, Lord Sherfield. And it was Christopher who persuaded me that I should take the exam. Being quite a good examinee I thought, why not? I can't claim a very strong motivation, it just seemed a good idea at the time.

LC And what were your first impressions when you began?

LP I was very daunted by the Foreign Office at first, by its reputation, by its grandeur, of course in those days it was spread across a lot of buildings. If you recall Personnel Department was at Carlton House Terrace, in what had been formerly the German embassy; the lift instructions were still in German. I was somewhat daunted by the senior figures in their black jackets and pinstripe trousers, their bowler hats and stiff collars. It seemed a sort of 1930's newsreel world to me. The 1960's was the time of Harold Wilson's white-hot technological revolution and so on and the Foreign Office did seem a little bit of a throwback to earlier times. I was certainly very humble about it, I was amazed that I had got into it; that I was associated with an institution with such a distinguished, and rather overwhelming, past.

LC You spent quite a long time in London really, initially, apart from a couple of years...

LP Yes, most people who joined with me were sent off to do language training straight away. I didn't, I spent my first year and a half, almost two years, in London. I was put into the department dealing with the Persian Gulf and I was the desk officer for Muscat and Oman. A curious start for anyone. Indeed one of my first tasks in the Foreign Office was to countersign the certificates issued by Her Majesty's Consul-General in Muscat manumitting slaves. Any slave who could get into the compound of the Consulate-General and clasp the flagpole was automatically freed by the Consul-General who issued him with a certificate which I had to countersign. It did seem a slightly curious way to start a diplomatic career. I had dreamed of secret treaties in European chancelleries and here was I dealing with slaves. But it was fascinating. It was the time when oil was first discovered in Oman. It was kept highly secret for strategic reasons. There was a lot of work on that. Oman was ruled by an eccentric elderly Sultan, Said bin Taimur, who came once a year to the United Kingdom for his summer holiday where he holed up at the Dorchester and watched television from children’s programmes shortly after lunch right through to close-down, which in those days was at 11 p.m. That was all he did. It was my task to drive all the way down to the Royal Air Force station at Lyneham in Wiltshire to meet him, drive up to London with him, which in those days took about three hours. He was no great conversationalist; it was a fairly testing experience. But it did expose me to a great deal of interest in the Persian Gulf at the time British power was paramount there; the Political Resident in Bahrain was a man to be reckoned with. There were a lot of very intriguing people, members of the former Sudan Political Service who were doing interesting things such as demarcating borders with the Trucial States, riding around on a camel putting the border markers in. So it was not at all what I expected. Looking back on it, it certainly had a certain fascination, I can't deny that. On a more personal note I also recall sharing offices with two rather older people, one was Marrack Goulding who went on to become Deputy Secretary General of the United Nations, and the other Dick Posnett who had been a Permanent Secretary in the Colonial Service in Uganda. When they came in every morning, Dick Posnett spent the first half-hour every morning on the telephone to his stockbroker, Marrack Goulding spent the first half hour every morning on the telephone to his bookmaker. And I, with nothing other than my very small Foreign Office salary, was immensely impressed by these men of wealth and standing who could devote this amount of time to their respective investments.

LC Did you see yourself as speaking for any one area at the beginning of your career? Did you think you might be an Arabist or....

LP No, I think it was always clear that I wasn't. I didn't want to be destined to become an Arabist or a Chinese or Japanese speaker. My interests were in Europe and North America and that is the direction I wanted to head and indeed that is the way it started when they decided they had no-one in the Foreign Office who could speak Finnish. I was asked if I would volunteer. I was perfectly happy to do so, I was already married, at a young age, and my wife was happy to come too so we set off very early in 1965 on a cargo ship from London docks to sail to Helsinki in the depths of winter. It took us a long time to get there as the Baltic was frozen almost from Denmark to Finland and we had to borrow an ice-breaker to lead our convoy. We went to live for five months with a Finnish family in the centre of Finland, crammed into a tiny little house and we trudged every day through the snow to take Finnish lessons at the local University. It was actually a teacher training college in those days. We began to speak Finnish fluently after five months and rather enjoyed the experience. It seemed very remote. It was dark most of the time when we first got there, day and night, but it was certainly different. We were very isolated but we enjoyed that. We travelled widely. We travelled up to Lapland right up to North Cape, camping on the way. We got to know Finland and the Finns really well. At the end of our time in Jyvaskyla we went down to the embassy in Helsinki which was an interesting experience. We were the only Finnish-speaking members of the embassy. That was quite important in those days because at least the older generation of Finns, if they spoke any foreign language, Swedish obviously was first, but German would be the language they knew. But most of the politicians didn't speak any language other than Finnish so I had, in the embassy's terms, an almost unique ability to communicate, which meant that we were projected straight away into dealing with Finnish Cabinet Ministers and so on. I found that enjoyable. It was a small post, it was a very active post. This was at the height of the Cold War. Helsinki was a major centre for espionage and all sorts of activities were going on. It gave it an edge. You felt you really were on the front line of cold war politics. We travelled widely through Finland at that time. We had a delightful first ambassador there, Sir Anthony Lambert, whose wife taught mine everything there was to know about being a diplomatic wife, and later a man called Sir

David Scott Fox who had come from Chile, not particularly enthusiastically. It was a good way of entering diplomatic life, getting some experience of it. In those days we were still rather impressed by protocol type instructions about which side of the car you sat on when travelling with the ambassador, the need to wear gloves and hats for virtually every occasion. I can't think now why we were so impressed by it but it seemed to matter terribly at the time. It was a good introduction to the techniques of diplomacy too, the lobbying, the telegrams asking us to go and persuade the Finnish government to do this and that, a certain amount of public speaking as part of travelling around Finland, getting to know the politics inside out, going down to the parliament building to lurk and pick up the politicians to have tea and coffee with them to get a feel as to what was happening in Finland. It was the classic Foreign Office technique, really, of sending someone as a young man to a country in the hope that he would master the language, the culture, make the contacts which would one day serve him as an ambassador 25 years later. That was never to be in our case, but it was a good principle and I think it taught people well; it certainly got me off to a good start. Interestingly, my successor, both as a language student and as a Third Secretary at the embassy, was Paul Lever who is now the ambassador in Berlin many years later. He too never went back to Finland to practice his Finnish so in a sense I suppose it was a wasted investment for the Foreign Office.

LC Did you ever use your Finnish again?

LP I did use it again. I used it in about 1968, maybe 1969, when President Kekonnen of Finland came on a State visit to the UK. He had assured everyone before he came that his English was good enough to cope but on the afternoon of the first day of his visit the message came through that the Queen had been unable to understand a word he said at lunch and he needed an interpreter. I was doing something quite different by then at the Foreign Office but I was asked to hire a white tie and tails, dash home, change and get to Buckingham Palace by 7 o'clock in order to interpret between the Queen and President Kekonnen at the State banquet, which I did, I hope, reasonably satisfactorily. It wasn't easy, of course, both principals are facing away from you, the band is playing and 200 people are talking so you can't always pick up everything that is said. Finnish is a complex language but the only expression I recall being completely defeated by was when the Queen and President

Kekonnen discovered that both had been on recent state visits to the Gambia and the Queen remarked, rightly, that Gambia, of course, was where ground nuts came from. I thought to myself what on earth is 'groundnuts' in Finnish. So I said in Finnish to President Kekonnen that, 'the Queen remembers those ruddy nuts. I can't remember what they are in Finnish,' and he rolled about, laughing and slapping his thigh. The Queen said what on earth did I say that was so funny. That apart, I think the evening went quite well. So I hardly ever used Finnish again. I went to Finland with Mrs Thatcher sometime in the late eighties and I have been there myself once to give a speech in about 1992 or '93. It is not a language you have many opportunities to use because most Finns these days speak English virtually from birth, but it was an interesting investment.

LC Then you were back in London after Finland, and your next overseas posting, which was Washington, and it looks as though you by now were marked out as someone who might be deployed in areas of high priority.

LP Well, I came back to London from Helsinki and was given an unusual job. I knew nothing about it. The Foreign Office Planning Staff, Policy Planning Staff which in those days was almost new, had been going about two years. It had some very distinguished people running it to start with. Michael Palliser, who had been its first head, Robert Wade-Gery, a former Fellow of All Souls, Christopher Everett, who had been my immediate predecessor. When I joined it, the head of it was then very briefly, Bonar Sykes. It was fascinating. It gave you a remit to range across the whole area of British foreign policy, pick out the key topics, try to predict what was going to happen. Of the two or three of us there I remember writing papers trying to look ahead to a time when Britain would have joined the European Community, how we would like to see it shaped. I remember writing a paper about the future of Japan, at the time people were only just beginning to wake up to Japan's enormous potential, a paper about relations with super-powers. This was a tremendous advantage, first of all in order to write intelligently about these things one had to read and talk very widely, not just in the Foreign Office but with academic institutions, attend seminars, organise seminars, get in experts, travel quite widely, go to the United States and Japan. And then we had to present our views to the planning committee, whose chairman was the Permanent Under Secretary, assisted by the most senior officials in the Office. So

one got an exposure at a pretty early age - I was 25 or 26 at the time - to the very top ranks of the Office as well as to the major issues of importance to our foreign policy. That gave me a taste of being at the centre of things and dealing with the big issues which never went away and fortunately stood me in good stead much later. The planning staff saw all the telegrams right across the range of areas, subjects and countries. It gave you from this early age a feel for the whole strategy behind British foreign policy; it was a fascinating time.

LC And how do you think the Foreign Office spots people at that early age, that they know they want to see exposed, for example, to Washington....

LP If you want my honest opinion at that stage it is purely 'pot-luck'. In the case of Finland they simply looked around wildly for a vacancy and said here's a gap let's pop him in it. I might also say I was the first of three Powells to go into the Policy Planning Staff, my younger brother, Jonathan, who is now Prime Minister Blair's Chief of Staff, was in it some fifteen years later; and my son, Hugh, now in the embassy in Berlin, was in it some thirty years later so perhaps there is a penchant on the part of Powells' for foreign policy strategy and the ability to articulate it and write reasonably intelligent and far sighted papers about it. But again, perhaps I flatter myself.

LC Well, they didn't know that until you were already in it.

LP I suspect the other two benefited from my having been there first, says he modestly. From there it was to the embassy in Washington which was quite an easy transition to make because that also deals with all foreign policy issues, every major issue across the board has its reverberations in Washington.

LC You went there as.....

LP I went there as Private Secretary to the Ambassador. He was of course a political ambassador. After Ted Heath won the 1970 election he wanted his own man, somebody he could trust, in Washington and settled on Lord Cromer, a former Governor of the Bank of England, who had been immensely helpful to the government during the election campaign

by writing some very powerful articles on the centre page of the Times, under an alias, pointing out all the deficiencies of the Labour government's economic policy and how the Conservatives could change that. I suppose Washington was, in a way, Lord Cromer's reward. I don't think it was the reward he wanted. I think he would have much preferred to be a Cabinet Minister of some sort. He was actually quite dubious about going to Washington as ambassador, but off he went. For a young man like me it was immensely good news to have a political ambassador with no great expertise in foreign affairs or background in it. It meant you could do much more for him. The professional ambassador wouldn't really have much need for me; he would have been able to do it all for himself. But Lord Cromer did need help. He needed help in writing speeches, he needed help every time he went down to see Henry Kissinger, the then National Security advisor, subsequently also Secretary of State. When he went to see President Nixon I used to go with him, so that there was somebody there who could jog his memory and take an intelligent and detailed note of the proceedings and turn it into a telegram to go back to London. So once again I had the good fortune to have a ringside seat at the main issues of the day of which there were a lot at the time. This was when fixed exchange rates came to an end; the Bretton Woods system came to an end; it was good to have Lord Cromer as the former Governor of the Bank of England sitting in Washington then. He understood the monetary system in detail. He was able to play a big role in that with the US Treasury Secretary, John Connally and others. It was the time of the Middle East war in 1973. Within America itself we had the trauma of the war in Vietnam drawing to an end. We had a covert role in helping Henry Kissinger to meet the Vietnamese negotiators secretly. And behind it all was the rise and fall of President Nixon. His very convincing election victory in 1972 followed by the whole Watergate saga between 1972 and 74 which certainly was an exposure for me to the brutality of American politics when the tide turns against you and you are caught red handed. So once again it was a great period. And my younger brother followed me again, 15 or 20 years later in the embassy in Washington, in a slightly different but no less interesting role.

LC Do you think your views about the United States were very coloured by that posting or had you already....

LP I think I have always been instinctively more attuned to the American way of doing

things than to Europe. Maybe that sounds slightly strange; after all I am married to somebody from mainland Europe and have been for a very long time. I live in Italy and much of my life has had a European dimension to it. But I have always been a believer in the United States, in the way the United States runs its society, its economy. I admire American military strength, America's global reach and am a profound believer in the Special Relationship. I think it towers over everything else as the centrepiece of British foreign policy. So in that sense I was a natural for Washington. I have continued those beliefs for the rest of my life. They have coloured my views of Europe, which is not by any means a hostile view of Europe but one that believes that a good transatlantic relationship is vital. Unfortunately, the trend in Europe has often been in the opposite direction. I am an Atlanticist more than a European, in traditional Foreign Office terms.

LC I suppose in some ways at the end of the war in Vietnam, when you were there, America was turning in on itself, a bit unhappy about foreign adventures at the time, and so not an America that was very open to contacts with Europe and Britain?

LP I wouldn't say that America had turned in on itself because it hadn't. It was deeply engaged in the Middle East war in 1973 and 74 and bringing that to a halt. Then, in the subsequent peace negotiations it was playing a very central role. What was a complete disaster at that time was the attempt by Europe and the US to get on terms. You will remember that Henry Kissinger intended 1973 to be the Year of Europe and various efforts were made to construct a new US - European relationship which were persistently, professionally and deliberately thwarted by Monsieur Jobert, the French Foreign Minister at the time. Nor was there much sympathy or fellow feeling between President Nixon and Ted Heath. Ted Heath, whose instincts were European, whose whole strategy was European, was not a great believer in the Special Relationship. He didn't want to meet President Nixon once he had been tarred by the Watergate brush. It was not a happy period for US - UK relations at the top level, not at all a happy one. But that meant, of course, the embassy had a particular role in trying to keep them on the best possible keel, when the political vibes were bad. There again that was for me a lesson in just how important an embassy can be when that sort of situation arises. Embassies, in my experience, rise and fall in importance. Just because an embassy is in Paris or in Washington doesn't mean it always has the same degree

of importance. It depends very much on the political climate, the issues of the day, one's own government's thinking, where its priorities lie. Washington can be very, very important and it is of course very important for a greater proportion of the time than many other embassies. There are times when it is not as important as all that and the focus is more on Brussels or Paris or Bonn.

LC And then you went from the States to Bonn.

LP Yes. The Foreign Office decided that in my time in the States I had been altogether too pampered and favoured and it was time for me to get my knees brown. It announced I was en route to Laos. This didn't strike me as a particularly good idea. Even more importantly, it didn't strike my extremely volatile, sparkling and strong minded Italian wife as a very good idea at all, so she made sure that the highest in the land were aware that Laos was not on her agenda. By a stroke of good fortune our destination was changed to West Germany, to Bonn. I went straight from Washington to the embassy in Bonn, responsible for internal politics, German politics. It was quite a sharp transition to make from some six or seven years dealing with central issues in the planning staff and in the Private Secretary role in Washington to dealing with purely one aspect of an embassy's work, albeit an interesting one, the internal German political scene, rather than sitting right at the heart of everything. I had no German, I had to rush down to Karlsruhe, and spend three or four weeks with a German family learning German virtually from scratch. But I am a reasonably good linguist. It was not too big a problem. Then I moved to Bonn and tried to insert myself into German political life which was not that easy. German politics is a strange animal, very federal, it is conducted very much at the Land level, which meant a great deal of travel which was interesting, very enjoyable. It also meant being able to analyse where German politics was going and make sure the government back in the UK had a clear picture of how Germany was evolving. Of course, in that sort of role you're in a way in competition with the best journalists. After all, they write about Germany every day. I had several around at the time; Andrew Knight, for example, was writing about Germany from Brussels and Nicko Colchester for the Financial Times from Bonn. Some very powerful journalistic figures were there so one had to be on one's mettle. One had to be able to write attractively as well as get the substance right. It was stimulating and again a good introduction to a very important aspect of Foreign Office

work. I was fortunate in my ambassadors. Nico Henderson was our first. He came with a great literary reputation, a degree of eccentricity perhaps but he was extremely generous to us and involved us in very many things both in the embassy's work and in its social life, which we couldn't necessarily have expected as a rather young First Secretary. Later Oliver Wright, a different character but again one of our top ranking ambassadors; both of them went on to Washington. We were fortunate and learned a lot from observing them, how they operated, it was a good education. So much of one's early Foreign Office life was education.

LC It was at the time of Willy Brandt and a new Ost Politik?

LP Yes, I got there after the beginning of Ost Politik. Willy Brandt was already ensconced and indeed I was there when he had to resign because of the activities of a member of his staff, Gunter Guillaume, who had been spying for the East Germans, and Helmut Schmidt took over. One of my main responsibilities was getting to know the people around the Chancellor, the people in his Private Office and the Chancellery, and the same for the opposition leader who, in those days, was Helmut Kohl. He and Kurt Biedenkopf, who was the Secretary General of the CDU and is now the Premier of the State of Brandenburg, were the key figures on the conservative side of German politics. I flatter myself that I inserted myself into their entourage pretty effectively and got to know them and was able to know a great deal of what was going on. Indeed, I remained in touch with some of them like Horst Teltschik which stood me in good stead later when I worked at No 10.

LC Was it merely an observing role? Was there a line that the Foreign Office...
LP No, you'd never be purely an observer otherwise you are wasting your time. You could just as well rely on the journalists. No, you use the access you gain to promote certain arguments and views and put objectives across. But there is also the role of observing, understanding Germany, absorbing Germany into your system and being able to explain it, both on a regular basis back to the Foreign Office and through them to Whitehall, also to visiting politicians, and that again was quite an important part of my work, looking after visiting politicians, parliamentary committees or Ministers or indeed, in a very important case, an opposition leader. That was my first encounter with Margaret Thatcher who was in Bonn shortly after she became leader of the Tory party. I took her to call on some of

Germany's senior politicians and leaders. I remember we sat up late that night as she wanted to hear the results of a by-election in the UK which were due in the early morning hours. She, and my wife and I sat up until then listening to the radio and chatting away. That was my first encounter with her.

LC And what would you say was perhaps your clearest or best memory that you took away from Germany?

LP I think my memory of Germany was that here was the beginning of the change of generations, the post-war period in Germany was drawing to a close and you could see a new breed of German, who were going to be more assertive, more concerned with their national interests, less ashamed or afraid to exert German power, coming forward. Not very rapidly, but they were there. You could see them in the under-30's generation, they didn't feel any longer cowed by Germany's past or the need to be in a permanently apologetic stance. It was pretty clear to me. Certainly I didn't predict German re-unification at any particular point, but I sensed that that Germany was going to be a much more powerful country again within my lifetime. The people leading it would no longer be tremulous and hiding behind the skirts of the Americans, the French and the British. They would be a vigorous and successful power that would want to play an international role again. Therefore we must try to forge a relationship with them, as the French have done more successfully than us, which avoided some of the disasters of the past. That had to be a central thrust of British foreign policy, and that carried through very much into my time with Margaret Thatcher.

LC Was the British government at all trying to make the relationship closer...

LP Yes, but it was always bound to be less successful than the French; the French and Germans had so much more to lose. They had inflicted so much damage on each other already twice this century that they simply had to get on. They institutionalised their co-operation. They had hundreds of thousands of school children doing exchanges. They met formally twice a year at the top level because they had to. I don't think they liked each other particularly, I don't think they like each other particularly today. But they just knew that they had to work on the relationship much harder. We were more detached, an island. We had had

hellish losses in two world wars, but they were not on the scale of the French and German losses and we didn't feel that compulsion to develop the relationship of the quality and intensity and closeness of the French and Germans. But we certainly needed to get on well with the Germans. During Helmut Schmidt's time on the whole we did. It was a good relationship between him and Jim Callaghan certainly, and Margaret Thatcher as the incoming leader of the opposition certainly thought highly of Helmut Schmidt.

LC I suppose as an ordinary member of the public one's very aware the anti-German feeling really is there, at a very low level of course, but is still there today and that lacking leadership from the top in trying to make a closer collaboration with Germany or....

LP There is a real problem. People, particularly of the older generation, still feel deeply about Germany. I remember my own grandmother, who had lost brothers in the first world war, never bringing herself even to meet a German she felt so strongly about it. People of Lady Thatcher's generation, who were growing up in the 1930's, felt pretty strongly about Germany too and that carried through into her later politics. She regarded Germany instinctively as a threat, a threat to Britain because as it became bigger and more powerful it would become dominant in Europe. Rationally she knew that she had to deal with Germany, try to forge a better relationship and indeed devoted quite a lot of effort to that. It meant that she was also acutely aware that Germany shouldn't go unchallenged otherwise it would just throw its weight around in Europe and she was determined to stand up to Germany. That's not a very Foreign Office sort of attitude. I don't really mean that disparagingly; the Foreign Office is there to get on with countries and encourage the government of the day to get on with countries. Mrs Thatcher took the view that both our national instincts and our national interests required us to be really quite vigorous in our dealings with the Germans and not to let them believe that they were the new leaders in Europe. Of course it has a down side. There is no doubt about it, but it has an up side too. We are still, in terms of our weight in the world, at least the equals of the Germans and in many parts of the world are considerably their superiors, even though our economy is far smaller and within the European Union itself our specific weight is certainly less.

LC There is a feeling that we probably punch above our weight in terms of ....

LP It has become a rather hackneyed phrase, punching above our weight, but I do believe in it. Douglas Hurd was quite right when he used it. He got a bit of scorn for it but it is true and it just seems to me to correspond to our history and the deepest instincts of the British people. Otherwise why on earth did we go out and forge an empire, why did we go into China and Hong Kong, why did we have India, why did we do all that if it wasn't our instinct and it still remains our instinct. I saw it very acutely in the Gulf war when the Americans had terrible problems, with their public opinion and congressional opinion thinking that the US should not get involved with the Gulf war. We had no trouble with public opinion in this country at all. Nor with parliamentary opinion, I remember. About the only people who were opposed to our participation in the Gulf war were Ted Heath and Denis Healey who had been wrong on just about every major issue in British foreign policy in the last 50 years. It is there, this instinct. I think that sometimes politicians, like Mrs Thatcher, are better at feeling it and expressing it than the Foreign Office is. The Foreign Office has to be institutionally rather lofty, a bit detached. Its members don't have much exposure to their own citizens in a way, they don't travel very much in this country, inevitably, it’s not their fault. A politician like Mrs Thatcher is better at interpreting the national mood than the Foreign Office is.

LC Although you would perhaps have said, when you were in America, that you were doing the Foreign Office role and keeping the prime minister of the time, Ted Heath, a little apart....

LP I don't think he did understand the British instinct as well as all that. We will come on to this but the whole European venture was something very much of an elite venture ....

LC Yes, we will come on to that, shall we? Thank you. We will go on then. After Germany, Rhodesia negotiations?

LP No, I came back from Germany and did about 18 months as the deputy Head of Near East and North African Department. A traditional line job, that is a management job in Foreign Office terms, a busy part of the world; Arab-Israel conflict, difficult problems with terrorism, with the Lebanon, which was in a state of turmoil then. Dealing with everything really, from Algeria and Morocco at one end and up to but not including, Iran and Iraq at the

other. It covered Egypt, it covered the Sudan, Lebanon, Syria...

LC It was a very large brief to take on.

LP It was a large brief and I was in a slightly curious position there. Inevitably the policy in the area, indeed the manning of the department was heavily weighted towards Arabists. I was really there as the non-Arabist leavening of the department and I suppose, in a way, the pro-Israeli, and my relations with the Israelis were very close at that time. There probably needed to be somebody there who was capable of being regarded by them as a reasonable friend and a potential ally. It stood me in good stead later as I have explained. But I wasn't head of the Department. Indeed in the whole of my Foreign office career I never did anything traditional. I was never the Head of a Department, I was never in Personnel department, I was never Head of Chancery, I was never the Head of a Mission, it was probably one of the least conventional Foreign Office careers there has ever been. But that period certainly gave one a glimpse of what it would be like to be a Head of Department, to cover a whole area and have to produce advice and briefs and so on; one had to answer questions rapidly, accurately and articulately. I don't regret it at all, but in a way it could be described as the least characteristic part of my time in the Foreign Office. It was the only time I was doing an utterly conventional job.

LC It was quite short then.

LP Yes, I think it was about 18 months. Then it was on to be the Special Counsellor for the Rhodesia negotiations. That happened more or less as soon as a Conservative government came in and decided it had to resolve this question once and for all. The Party wouldn't stand for a renewal of sanctions. There simply had to be an agreement. And I was called in. Robin Renwick was Head of the Rhodesia Department and I was summoned to Lancaster House as special counsellor for the negotiations in September 1979. It was my responsibility to organise the conference and be on hand to deal with the parties, provide advice to Peter Carrington and generally be a participant in a very high-pressure phase of negotiations. It lasted from September through until just before Christmas, every day throughout that period. Indeed I remember working on Christmas Day; by then, of course, Christopher Soames and

quite a lot of Foreign Office Rhodesia staff had moved themselves out to Rhodesia and I was left in London to run the Rhodesia policy at that end. I remember talking to people in Rhodesia from the Office on Christmas Day. It was one of those examples when Foreign Office work gives you a real task to get your teeth into. There's nothing better than negotiation. At the end of the day it's what all diplomats long to be involved in. And there is nothing better than a successful negotiation. Essentially it was a successful negotiation.

LC With hindsight?

LP Yes, with hindsight it is still a successful negotiation. Of course now, with President Mugabe seizing white farms and so on, it is not a happy time in Zimbabwe. For me, the miracle is that it has taken 21 years for that to happen. I wouldn't have put much money on the constitutional settlement lasting that long, in a country where the black majority was something like 35 to 1. The idea that 21 years after Lancaster House white farmers would still own 40 percent of the land, all the best land and still be farming it, is actually quite curious. And we got a solution. We got a solution which was reasonably democratic, was verified by elections which certainly were not perfect, but by African standards were pretty good, accepted by international observers. And we got out with some honour and some dignity. Zimbabwe has on the whole been better off, until very recently, than the rest of Africa. I don’t regard it as anything other than a success. It was a good start to the Thatcher administration, her first diplomatic triumph if you like. It showed that when you went vigorously enough to attack a problem with determination to succeed you could do it. And I think it taught Mrs Thatcher some lessons. It showed her what could be done, using Foreign Office staff, using the resources of the Foreign Office and its immense skills. It showed her that she could achieve objectives in the same way as in her domestic policy, the feeling that she could break the traditional post-war consensus in British politics that everything was predestined, whether it was the trade unions running the country or high taxation, you name it, and that Britain was in permanent decline; all that could be reversed. The Rhodesia experience was her first lesson that you could do it in foreign affairs. The Falklands was a much more important one later on. Getting her money back in Europe, and so on. It was borne in on her; use the instruments to hand and you can achieve important things.

LC And the success, you think, was partly down to Mrs Thatcher's determination to have a proper settlement and what credit do you give to Carrington...

LP Oh, enormous credit to Peter Carrington. He was the driving force of the whole thing. For Mrs Thatcher it was a lesson in what could be done by the Foreign Office. She had always been extremely sceptical of the Foreign Office regarding the staff as a load of 'pinkos', who only wanted to represent foreigners and generally put their point of view forward. There she saw in action how it could roll up its sleeves, conduct a very skilful negotiation in support of a first class Foreign Secretary and achieve her objectives. Which was getting rid of sanctions, healing the almighty split in the Tory party and getting the issue off the agenda. But there was no doubt that Carrington was the man who conducted the negotiations. He had superb support from Tony Duff, who was the most senior official adviser. There were others around too, but I can't remember all the names now. It reflected very great credit on the Foreign Office and its skills.

LC Perhaps not a view of the Foreign Office that stayed with Mrs Thatcher through the rest of her career...

LP It's an interesting point, but since you raise it now; for Mrs Thatcher there was a very curious dichotomy in her mind. The Foreign Office is an institution she could never come to terms with. She had somehow come to believe over 40 years that the Foreign Office was an institution devoted to looking after the interests of foreigners and not really there to represent British interests. And then there are the people in the Foreign Office, and when she encountered them, whether on visits abroad when she met ambassadors, or some of the most senior officials, she almost always found them extremely good people whom she could work with. She kept the two things quite distinct in her mind. She did not associate the people she met from the Foreign Office with the institution. And I was never able to close that gap for her and it's still there today. She will still be dismissive of the Foreign Office while speaking in the warmest terms of some of its leading members.

LC And obviously working very closely with yourself, who is or was a member of the

Foreign Office at that time...

LP Yes, so that lasted about 6 months, and then once again came an attempt by the Foreign Office to despatch me to the further regions. This time they tried to send me to Peking. I was not very keen on that, not being a Chinese speaker. I always think that going to a country where you could not master the language in a fair way is a bad idea. I could not master it at that age. I was required to go there immediately. The language courses are two years and I was well beyond the stage of being a language student, and my wife was also very unkeen. But luckily the ambassador at the time was an old friend, Sir Percy Cradock, who had been Head of the Planning staff for the second part of my time there. Percy understood very well that the Powells were not really Peking people and helped us evade this. Instead I was despatched to Brussels, to the European Community to be one of the Counsellors there, in charge of the external aspects of the Community, external relations, development aid and so on. From 1980 to '83. And that again was something I was pleased to do because it meant negotiations and that is really the meat of diplomacy. It's not just sitting writing learned despatches on the decline of the Catholic church in Peru or something, it is about getting out there every day and trying to fight for a specific British interest. Doing it in many languages and a multilateral situation was great news. I enjoyed it thoroughly. I couldn't stand Brussels, though. I wasn't that keen on the European Community as an institution but as a process I thought it was great fun and I was there, of course, during a British presidency which made it more fun, chair the meetings and set the agenda. It was an important time, not that I was directly involved, but the budget negotiations and so on were in full swing, getting our money back. I was involved in enlisting support for sanctions against Argentina during the Falklands war. A crucial part of defeating Argentina was getting the EU, despite people like the French and the Irish who had basic sympathy for the Argentineans, getting them to agree to sanctions and to condemn Argentina. So it was a time I enjoyed. Another interesting aspect; it exposed you to a lot of Ministers. We had endless visiting British Ministers, and Ministers from other countries too, in a way which most diplomatic posts don't. Almost every day you are sitting in some meeting or other with Ministers present, whether Foreign Ministers, Finance Ministers or Trade Ministers, and again it gives you a direct exposure to how government operates at the highest levels...

LC Do you have any specific stories, of how you managed to persuade either the Irish or the French to.....

LP We didn't have to persuade the French on the Falklands. President Mitterand's deepest instincts seemed to have been engaged. He was one of the first to telephone Mrs Thatcher and promise her support even though France had been a traditional arms supplier to Argentina. I guess he felt that as the two former colonial powers France owed Britain support on this. It stuck in Mrs Thatcher's mind ever thereafter. Although she and President Mitterand were not exactly soul mates politically, she always had a good and respectful relationship with him and the fact that he had been the first to rally to her side in support of the Falklands conflict was a major factor. Brussels has its tiresome aspects and meetings have to go on half the night, or sometimes all night, simply because Ministers hate to go back to their capitals and report that they have failed to secure everything they wanted unless they have shown they have stayed up all night doing their best. It was a bit of a tiresome procedure. For me it turned out to be invaluable because European affairs are such a large part of any government's foreign policy these days that when I was suddenly moved to No. 10 the fact that I knew in detail how the European Community worked, had experience of it, knew how European Councils and Heads of government meetings worked, and so on was a vast advantage. If I had not had that knowledge it would have been very hard to have coped in No. 10. I found it absolutely invaluable.

LC What were your criticisms at that point?

LP My criticisms of?

LC Of the way that the European...

LP I felt quite a lot of things. I felt that the European Community was a very elitist, superior, sometimes rather condescending operation. It was something conceived between a very narrow stratum on top of European politics, a sort of vanguard or elite…..

LC Condescending to whom...

LP Well, condescending to nations, frankly, and to peoples. It was, 'we know better than you do what's good for you, whatever your instincts are, whatever you think about being a nation, we think it's better we all drive towards an eventual European Union.'

LC This is a sort of super European elite of some kind...

LP Yes, I think it goes back longer than that. In Britain it is absolutely clear, and I have written about this, for instance reviewing Hugo Young's book "This Blessed Plot". It was, if you look at it very carefully, in a way a bureaucratic conspiracy in Britain. Some very distinguished Foreign Office officials, like Sir Con O'Neill and John Robinson, were absolutely persuaded that Britain should join Europe more or less regardless, or irrespective, of what our politicians or the British people felt. They set about pushing the whole foreign policy machine on that course and tried to persuade Ted Heath and Harold Macmillan and later Harold Wilson that this was the right way to go. And they supinely allowed themselves to be pushed in that direction. There is a tremendous, slightly lip-curling, superiority in Brussels amongst people who deal with Europe. The sort of, 'we know better brigade'. Then after two and a half years, I was told I was once again a candidate for the Private Secretary job in No. 10...

LC You were told, you didn't apply?

LP I was told I was a candidate for it. I didn't apply. In those days one didn't apply for jobs...

LC Personnel just moved you between streams...

LP You were told; I was one of the candidates for it. I was taken off to London to be interviewed by Mrs Thatcher whom, as I have said, I had met in the past. The Principal Private Secretary at that time was Robin Butler, who was an old friend of mine. We had been neighbours from the 1960's. I had known him going right back to Oxford days. And he said, 'I'll give you one bit of advice about the interview, normally when Mrs Thatcher interviews

people she talks all the time and when they go out she says, 'I don't think he's much good, he never said a word,' so for goodness sake make sure you pipe up.' So in I went and from the very first sentence she spoke I jumped in there and was vigorously arguing with her about things. Apparently when I went out she said to the others, 'well, he just talks all the time.' So you can't win in these situations. By hook or by crook I got in. I don't think she interviewed any other candidates at that time and I was given the job and delighted to have it, as I said earlier, being a sort of 'at the centre of things' freak. I was glad to be there and I understood from the very beginning that when you go to that sort of job your first loyalty has to become to the Prime Minister, it can't be to your home department. Of course you want to ensure that your home department's views are heard and understood by the Prime Minister. Of course you want to ensure that they are given every chance to express those views and so on. But you can't be there as their spy, their person; you've got to be the Prime Minister's person otherwise it just doesn't work. The Prime Minister has no staff other than a tiny handful in the Private Office. Cabinet Ministers have vast armies of officials to prepare and represent their views, they have this great bureaucratic machine. Number 10 is a skeleton, it really is. It depends entirely on the prestige, energy, vigour and leadership of the Prime Minister aided by a handful of people in the Private Office, Press Office, and the Policy Unit, to represent those views, get them across to the rest of Whitehall, get the action that the Prime Minister wants. And that can only work if you are really loyal to the Prime Minister and see yourself as his or her agent. I was convinced of that from day one and I never had any difficulty with it. It didn't make me very popular with the Foreign Office, I am sure, and that is sad but inevitable. Even so we had pretty good relations; I think they would tell you that I was meticulous in trying to keep them informed of everything, making sure that their views did reach the Prime Minister, that when her views were different and contrary at least they got a good explanation of why that was so. But I had no doubt from that moment where my loyalties lay. Of course I went there, expecting, like my predecessor, to be there a couple of years and then be back at the Foreign Office. It didn't work out like that but that was the expectation I went with.

LC How were the arrangements done, how was the circular briefing between the Prime Minister, yourself, the Foreign Office worked out on a day to day basis?

LP The Foreign Affairs Private Secretary in Number 10 is quite a senior figure to start with. He sits with the Principal Private Secretary in one office. The other Private Secretaries have a separate room. He covers by the end of my time anyway, Foreign Affairs, Defence, Intelligence, Security, Northern Ireland, Trade and Aid at least, so it was quite a big wad of the government's work. Papers and so on come in from all those government departments, they need to be processed and put to the Prime Minister for reading or decision where decision is appropriate. Even a hardworking Prime Minister like Margaret Thatcher has no time to read everything, so the Private Secretary had to distil complex issues into a simple question. You get a 10-page submission from the Foreign Secretary and you simply write on the top of it Prime Minister: “go to war with China? Yes or no?” I'm being absurd but that's the sort of thing you had to boil it down to, or at least write a covering note on one side of paper distilling some very complicated issues into the basic decisions that the Prime Minister needed to take and the factors she should have in mind while doing so. That’s a great discipline. But the job spreads much more widely than that, speech writing of course, accompanying her on all meetings with foreign leaders, foreign travel, European Councils, NATO, practically always at her side. I don't think she met any foreign leader at any time during all the years I was in No 10 without me being there. A silent role but I was there as the person able to explain and write down what happened, what was said and what she was driving at. And that's a difficult task. No-one pretends to take verbatim notes, they wouldn't make much sense if you did. What you have to do is organise and articulate what was said in a way which conveys the meaning and strategic direction of it, without going into all the conversational frolics that happen. You have to be very careful. You can't give a misleading impression that there was great order and regularity and everything went smoothly and this and that was agreed when it wasn't. And you need to convey something of the colour and atmospherics of the occasion. But, as I say, it can't be a verbatim record. I found it tremendous but it is a very exhausting role, and it got more exhausting. The longer you stayed the more you get sucked into things, the more issues you get consulted on, the more your remit extends and I must have outlasted at least three Principal Private Secretaries. Your weekends go by the board, your evenings go by the board, your holidays go by the board. It is very demanding, but there is nothing to equal it in the whole of government.

LC So your wife was not prepared to make a fuss about this particular posting?

LP No, I think she enjoyed the feeling that I was at the centre. Mrs Thatcher was enormously kind, my wife was invited very frequently, virtually every time there was a foreign visitor she was invited along for dinner, invited along so she got an opportunity to see how things happened. Looking back on it, I think I short-changed my children a bit at this time. But I don't think they suffered too badly. After all, one has subsequently joined the Foreign Office, against my advice.

LC Well I won't ask the question I was going to ask now, which was whether you felt out on a limb working with Mrs Thatcher because you were no longer with the support of the Foreign Office, a sort of lonely job in a way, would that be something you enjoyed?

LP Well, you feel lonely in a way. Because it's such a small organisation you really do feel a very heavy weight of responsibility because you are a buffer between the Prime Minister and the rest of the world, the foreign policy establishment, the Foreign Office, the Defence establishment and all that. A lot hangs on your word and increasingly you come to speak with the Prime Minister's authority and people believe that anything you say really represents the Prime Minister's views, and of course, it does and should. But, again, you do have to be very careful that you only speak in the name of the Prime Minister when you are either doing so with her specific authority or from such a basic knowledge and understanding of her mind that you can be very confident that what you are saying would have her support. You have to be prepared to go the other way too, and sometimes take her on very vigorously and tell her she's just plain wrong. That is no easy task with Mrs Thatcher. One of the great things about her was she was somebody who made up her mind through argument and confrontation. She would be a very vigorous arguer, she didn't care who she argued with, she never stood on her dignity, she would argue as vigorously with a Private Secretary as she would with a cabinet minister, probably slightly more politely with the Private Secretary but nonetheless as vigorously. Although she would never admit that she had changed her mind, you quite frequently found the next day that she had adopted your line of argument as her own and that was good enough. No-one looks for any kind credit in that sort of job. One just gets the business done. Obviously after 7 or 8 years I thought I could speak pretty clearly on her behalf. I still honestly believe that helped things rather than hindered them. Of course she

grew apart from her Foreign Secretary, Geoffrey Howe. They got increasingly at loggerheads as politicians do. She thought he was rather woolly, too inclined to compromise and no doubt politically she saw him trying to build up of a rival power base, he wanted to succeed her, that sort of thing. The sort of problem any decent marriage counsellor would identify immediately; her relationship just broke down. It was rather painful to watch because they had a weekly bi-lateral, just the two of them with only me present, and I could see over a long period it just got worse. When she finally moved him, he was obviously deeply bitter about it, he had wanted to stay in the Foreign Office. He liked the travel, the prestige and everything that went with it and it became a difficult problem to manage. So was the issue of Michael Heseltine and Westland. That of course is another aspect of No 10, being in the front line of British politics. When you are speaking or writing in the Prime Minister's cause your own name immediately gets pulled in, it becomes rather public property....

LC I suppose that the criticism of somebody like Howe would be that your post was a Civil Service post and should not therefore be too partisan, but I think you have stated the reason for your feeling that it can't work like that.

LP That is right. Obviously it shouldn't be party political. The basic problem arises if you stay a long time. I stayed in No 10 I think 7 years altogether and it was quite clear to me at the end of that time that it would be wrong to go back to the Civil Service because, whatever I might think about my continuing impartiality as far as the rest of the world was concerned I was closely identified personally with Margaret Thatcher and with the Tory party and Tory policies, and it would not be fair to expect the Civil Service to take me back again. It would be damaging to the Civil Service to do that. They were perfectly happy to take me back and I give them eternal credit for that. They offered me an extremely good job but for different reasons I had already felt that I had had the best job anyone in the Civil Service was ever going to have and there was no point in going back to something I regarded as, frankly, a lesser role. So I didn't want to go back anyway.

LC You weren't ambitious to be ambassador to Washington?

LP No. By then I had already had a much better job than being ambassador to Washington. Bonn was what they were offering me. So it didn't arise but I did have this feeling that if you stayed longer than normal in No 10 that is something which rightly the system is designed to guard against. That is why there is normally rotation after two or two and a half years. Some of my successors, I think Stephen Wall, only stayed eighteen months. That is the norm and I understand why it is. Of course the situation now is rather different. They have imported a number of special advisers too, they rotate the Civil Servants rapidly because the special advisers stay longer but we had far, far fewer specialist advisers in No 10 in those days. We staffed No 10 with less than half what it is now and therefore a heavier weight rested on the shoulders of the Private Office. But I guess I developed a sort of rapport – perhaps I flatter myself - with Mrs Thatcher. Any Prime Minister likes to have familiar people around that she has known and worked with a long time and so is comfortable with them, rather like an old slipper I suppose, one steps easily into it. Because I wasn't in any hurry to move on and enjoyed the job, the Foreign Office made various brave attempts to entice me out, persuading me to be ambassador here, there and everywhere, one after another and she first of all would say, 'Maybe,' and then finally say, 'No, no, he can't go just now.' So what with one thing and another, and despite the best efforts of Sir Patrick Wright particularly, I lasted through the Thatcher years and on into John Major's administration.

LC And you even spent 6 months or so with John Major, did you not?

LP I spent the first 7 months I think, through the Gulf war at any rate, because he had no knowledge of wars and military things, which was obviously a different experience as he was a very different character. I enjoyed it and I hope he found it useful. His memoirs suggest that he did. It was a different atmosphere of course, different people came in, Sarah Hogg, Chris Patten. Clearly he wanted to do things a different way. Quite clearly it was right he should have his own people in there. If it hadn't been for the Gulf War I would have left earlier, like Bernard Ingham, out of the door on the same day as Mrs Thatcher. But I was the only person with any long-term connection with the Diplomatic Service.

LC Well perhaps we should then look at some of the important things that are highlights from this period. Gorbachev, obviously, you were in at the very beginning, on his first

visits...

LP Gorbachev certainly, but the whole east-west thing ... let's start again. The major planks during her time, post Falklands really, there was the whole European issue...

LC I should really have asked you what would you say were the critical things...

LP Getting our money back from the European Community, leading on to the single market in Europe, leading on to the whole argument about economic monetary union and the single currency, until the final explosion of, 'No, no, no.'
That was one axis. There was then what I would call the Defence and Arms Control side, the deployment of INF, the debate over the modernisation of short range nuclear weapons, Trident, the whole issue of the Strategic Defence Initiative. Then there was the political dimension in East/West which is characterised, as you rightly say, principally by her relations with Gorbachev, bringing the cold war to an end...

LC And that goes on to the re-unification of Germany...

LP There was dealing with South Africa and sanctions. In perhaps that same category lies the issue of the Commonwealth. So there were a lot of big issues in her time. I have always myself thought of the 1980's as a rather heroic decade, not unlike the 40's, whereas the 50's, the 60's, the 70's and the 90's were somewhat lesser. I have thought the 40's and 80's stand comparison as times when really global decisions of huge historic importance were taken. It was of course fascinating to be at the heart of those, and to see them taken. So let's start with the E/W one: Gorbachev. Yes, Gorbachev was a lucky strike.

LC He was tipped as the person to succeed...

LP We were looking for the next generation of Soviet leaders. And invitations were sent to come to Britain to a man who subsequently disappeared completely from public view called Romanov who was an emerging senior official, to Gorbachev and to a man called Grishin, who was running the Moscow Communist party and trade unions. Gorbachev was the one

who was detailed off to accept. And so we got Gorbachev on really only his second exposure to the world outside the Soviet Union. He had been once to Canada, I think, as a pretty unknown figure. He came to us as a new member of the Politburo and very intelligently, Mrs Thatcher invited him and his wife - again it was a departure to be travelling with his wife - to come down to Chequers for lunch. The second he came into the great hall at Chequers you knew that here was an entirely different sort of Russian leader. Here was a man bursting with energy, a broad grin on his face, a readiness to engage in argument. They talked freely, no great retinue of advisors, no briefs, no prepared statements and so on. They sat down at lunch and got on to intense discussion really straight away. I don't think either of them ate any lunch. They talked right through lunch. The rest of us tried our best to listen...

LC Were you taking minutes...

LP Couldn't do much. Being lunch, there was so much noise as to make it hard. We then adjourned into the next door room for what was supposed to be a half hour formal session which lasted about three and a half hours, consisting at that stage of just Mrs Thatcher, myself, Geoffrey Howe was there at that time, the only time he ever was, and Gorbachev and Zamyatin, who was at that stage was still the Russian spokesman, and a man who's name has gone straight out of my mind, a Politburo member. From the first, this developed into this vigorous exchange, no holds barred. Mrs Thatcher's main aim was to persuade Gorbachev of two things. First that Communism was doomed; therefore he had better think again; and he was indeed already beginning to toy with the concepts that we later became familiar with, glasnost and perestroika. His line was the goal of reforming Communism, modernising it, making it a successful doctrine, while she tried to persuade him no way, it wouldn't work like that. Secondly she wanted to persuade him that President Reagan was a man whom he could trust and deal with. At the time the relations between Russia and the US were bad. The arms control talks in Geneva had broken down. She was very keen to get the Russians back talking to the Americans. They were the two main lines she pursued and clearly there was a good relationship between them from the beginning. I think that Gorbachev valued the fact that nobody would talk straighter than Mrs Thatcher. She was no diplomat. She spoke her mind very vigorously. She had the great advantage, perhaps more than men, of being unembarrassable. She would say anything, things men would find hard to say to another

man. She would just let fly. And could get away with it. He also, I think, valued her as someone against whom he could do some destruction-testing of his own ideas, to see whether they stood up or not.

LC Of course he was still not yet in power.

LP No he was not. And then we had a whole succession of meetings over the ensuing years. I can't remember them all. The next one was at Chernyenko's funeral. Then there was her amazing official visit to the Soviet Union which I think was in some ways the beginning of the end of the Cold War. It was the first time a Western Leader was given carte blanche to do what she wanted in the Soviet Union, and was allowed to do walkabouts in the street; she attracted vast crowds wherever she went. To go on television for an unscripted, unprepared interview with Russian journalists. Here for the first time the Russian people were exposed publicly to a Western Leader and it made a huge impact. Gorbachev always kept his word. We had very useful small meetings with him, usually with his wife too, at lunches and dinners in the Kremlin and at a Government guest house. It was an invaluable dimension in bringing about the end of the Cold War, though the relationship with the United States was always infinitely more important to the Russians than with the UK. But they really did see her as somebody who could both persuade President Reagan to deal with them and in a sense help explain them to President Reagan. Indeed, one of the first things we did after that first meeting with Gorbachev in December 1984 was I wrote a note for Mrs Thatcher assessing Gorbachev and we sent it to President Reagan. We went to see him at Camp David shortly after and talked through it and it was part of the bridge building between the Soviet Union and the United States.

LC And you and Mrs Thatcher saw Gorbachev very much in the same light in terms of agreement about his character?

LP Yes, on her visit to Moscow she had this famous 13 hours of discussions with him when foreign ministers and others were locked out and we just went on and on and on: broke briefly for a very, very late lunch and resumed again. At the end of it my hand was so limp I thought I was never going to write again. He only had one person with him, somebody called

Chernayev who was Gorbachev's Charles Powell, I suppose. It was great. One should always beware of leaders who believe that the relationship between them is a substitute for good policies. I don't think she fell for that. Some people thought she was too inclined to give the benefit of the doubt to Gorbachev, was too inclined to take his side. And it is certainly true that her attitude to German reunification was deeply coloured by the fears of what it might mean to Gorbachev's position. Overall, I am sure the balance of her relationship with Gorbachev was a very positive one, a very important, influential one for the process of ending the Cold War.

LC I suppose it was the Foreign Office who decided that Gorbachev would be one of the three who....

LP No, we had a seminar which was a combination of their advice and academic advice. I don't think anyone specifically identified those three people; the embassy in Moscow, no doubt, also...

LC Just trying to give some credit to the Foreign Office in all this...

LP The Foreign Office take huge credit for a lot of these things. I talk about it from the No 10 perspective because that was where I was. So much of the spade work and interpretation and the excellent telegrams Bryan Cartledge was sending from Moscow explaining what was happening under Gorbachev, analysing his speeches, development of his thoughts, all this was of immense importance. But the actors were Margaret Thatcher and Gorbachev. On the defence side, Mrs Thatcher attached enormous importance to our independent nuclear deterrent, believed that nuclear weapons were a vital part both of Britain's standing in the world and keeping the peace internationally. She was very keen on the deployment of intermediate nuclear weapons, supported and admired Helmut Kohl the way he saw that through in Germany, as did the Dutch and later was very keen to see the shorter range nuclear weapons modernised. There of course we ran into difficulties with the Germans in the late 1980's who didn't like the idea that these short range missiles would remain on their territory and were increasingly keen to get rid of them altogether. She had this curious relationship with President Reagan on the subject of the strategic defence initiative, his anti-missile

system. One part of her believed it was absolutely the right thing to have and to do and she wanted to support him anyway for general reasons and she believed that SDI would eventually work; the Foreign Office and the Ministry of Defence both profoundly disagreed with her on SDI...

LC What about you?

LP I was much more sympathetic to her point of view. Indeed, I was partly responsible for articulating it. I was also responsible, by the way, for a near disaster, or indeed not a near disaster, a real disaster. Geoffrey Howe was giving a speech to the Royal United Services Institution attacking and criticising the SDI and he handed me the text of his speech the night before he made it, as we were flying back from Chernyenko's funeral in Moscow, to read. It was cast in the somewhat characteristically turgid language which Geoffrey favoured and I went fast asleep after reading only the first page and a half of it. When asked early the next morning by his office if it was all right I took a chance and said, 'Yes.' Of course there was a monumental row when it turned out that he had attacked virtually everything Mrs Thatcher believed in. So we all have our bad moments, and that was one of mine.

LC And was there any backlash from Mrs Thatcher on that?

LP Mrs Thatcher is a very loyal person. As I was saying, she supported the concept of SDI. The other side of her was deeply attached to the importance of nuclear strategy and our own independent nuclear deterrent. She was deeply worried by the fact that President Reagan saw SDI as replacing nuclear weapons so she was constantly on at him to make sure that he still signed up to declarations that nuclear weapons would remain the basis of western defence, that America would continue to support the independent British nuclear deterrent which was a very important part both of her defence platform but also a very important element in British politics. This was a time when the Labour party were pro-CND, and smashing the Labour party down on defence played a very important role in her political tactics. President Reagan appeared to be supporting the Labour party's CND viewpoint by saying he hated nuclear weapons and wanted to get rid of them, which made her life very difficult. It was intensely political. She really turned him round twice. Once was at Camp David in 1984

when she articulated the guidelines for the SDI programme over the research, development and testing within the confines of the ABM treaty which constrained him. Secondly, after the US/Soviet summit in Reykjavik, when he had appeared almost to give away the whole US nuclear deterrent, she rushed over to Washington and got him to sign up to a statement saying that the deterrent remained at the core of Western strategy and the US would continue to supply us with the Trident missiles. So that was, very briefly, the defence side. The European side ran from getting our money back, which we did very successfully, at the cost of personal relationships with other European Heads of Government, through the Single Market, which was the high point of the Thatcher relationship with Europe, probably the most creative and positive thing anyone had done in Europe for thirty years, through the subsequent grabbing of the agenda by Delors for the single currency, the increasing dispute within the British government about whether we should join the exchange rate mechanism and her deepening distaste for the direction Europe was going, her attempt to set a different agenda for Europe with her Bruges speech in 1988. It still remains to this day the best-articulated alternative strategy for Europe. I don't think anyone's come up with anything better. It still reads very well.

LC The problem seems to have been that there was no mechanism for getting a consensus at that time, or getting people to agree with what Mrs Thatcher stood for so that she could carry this ahead without significant loss of her ministers...

LP Well, I think by then her views were causing great upset within the government, but that's a different question. The dispute wasn't really about Europe. By the late 1980's it was a question of style, dominance, she had been Prime Minister for 10 years, she knew many of the issues far better than individual cabinet ministers did, she became increasingly Presidential in style, inevitably I think. She had become a major international personality. When you do know the issues better than your ministers because you have been familiar with them longer, studied them harder, it’s hard to resist running other people’s department. But that is difficult and uncomfortable to accommodate within our political system. The reasons why some of the senior ministers fell out with her were very different. Nigel Lawson, it was barmy in a way, if ever she had a soul mate in the government, apart from Nicholas Ridley, it was Nigel Lawson. He was the most free-market, the most anti-single currency you could

possibly find but he had, after 1988, found himself running out of options on the economic policy front and had decided that the ERM was the only way he could get the necessary discipline into the British economy. But she thought he was just ducking the difficult issues of interest rates and so on. He went out in despair at the end, making Alan Walters the excuse. Alan Walters was neither here nor there, and it was a tragedy. Geoffrey Howe was a much longer, slow burning thing, which I have already described. She was suspicious of his ambitions, of the way he appeared to be using Chevening at weekends as a base for getting journalists and politicians to back him, to try to topple her in due course.

LC And then of course we should throw Heseltine in too and you were there at the time of Westland...

LP I certainly was. It will shortly be told again, from Heseltine's point of view, in his book which comes out in September (2000). This is a different case. She and Heseltine were never soul mates at all. He belonged to the Heath era and Heath's way of thinking on Europe and on many issues but she intelligently made him Defence Secretary because she recognised his great campaigning strengths. Here was a chance to put Labour to the sword, put CND to the sword, and he did it immensely skilfully. He was a great strength to the government in that way. But he is a man who is both wilful, highly ambitious and wanted to show he could get the better of her. I don't think there is any doubt about that. I don't say it in a malicious sense but that was the way that it was played. He did get the better of her once, on a fairly minor dispute, just before Westland, on where some naval ships should be built and she was forced to give way to him. He saw that as an opportunity to widen the breach he had created in her apparently impregnable position and she saw it as an opportunity to bring him back into line. The issue became that of Westland. It was absurd, some potty little company in the West country, nothing to do with government, but entirely a matter for the chairman and the shareholders, but it didn't develop like that. And I knew we were in trouble sometime in the autumn of 1985 when I came downstairs at No 10 and Michael was sitting at the table outside the cabinet room waiting for a meeting and said “she is not going to win on this one”. I thought oh, God, there is going to be a major battle on this. And so it developed. He was irresponsibly determined to win his way. She was initially totally uninterested in the whole thing, couldn't believe why such a fuss was being made about it. But then, of course, as her

competitive instincts became engaged, was determined that she couldn't tolerate independent barons within her government who were going to wilfully pursue a different policy. It finally escalated out of hand and he marched out. His departure didn't do the government that much damage after all. It happened early in 1986 and in 1987 she won another huge election victory.

LC Yes, but at the time I suppose she might have had to resign on it, I mean, there were some irregularities in the publication of the legal methods...

LP We have ten irregularities a week at the moment but is anyone thinking of resigning? Of course they are not. No, the whole thing was blown out of all proportion.

LC Heseltine left and so did Leon Brittan over this...

LP Yes, an example of the Tory party's subterranean anti-semitism at work. Those few who supported Michael Heseltine were determined if he had to go then Leon Brittan must go too. It was part of the pretext to bring him down.

LC It's very hard to, when you see what a long run Mrs Thatcher had, to think of her as anything else but successful.

LP I believe overall, history's judgement of her will be extremely positive, she was successful. Very briefly, perhaps on Germany. So we had a policy on Germany which was unsuccessful. The question is not so much that, as whether it was mistaken. I don't believe it was mistaken policy, really...

LC You mean her lack of enthusiasm for re-unification...

LP She thought German re-unification was pursued far too rapidly and at the risk of seriously destabilising Europe. Her argument really ran like this: the greatest change in East/West relations was Gorbachev's coming to power, the changes he brought about in the Soviet Union, his far more liberal, open and relaxed attitude to eastern Europe. She feared

that a rush to German re-unification might put him at risk from hard-liners within the government, as indeed it did only two years later. And would lead to him being toppled and all these changes which she had worked so hard to achieve would be at risk. Therefore her view was that German re-unification should proceed at a slower pace. The first task was to establish democracy in East Germany, have two democratic German states in parallel as it were for a few years, and then you could proceed with unification. And that was an entirely rational policy. It was supported vigorously by President Mitterand at the Strasbourg gathering of 1990, and made a lot of sense. It underestimated two things. One was the sheer momentum of events. I don't believe Chancellor Kohl planned German unification to happen at the speed it did or the way it did. Events unfolded and he displayed his magnificent opportunism in riding along with them. And secondly George Bush had been from the beginning of his administration very determined that Margaret Thatcher had had too much influence over Ronald Reagan and the balance needed to be adjusted. He would try to give greater weight to the relationship with Germany and to a degree with France, though France was less easy because they were so contrary. The Americans were determined to support Kohl whatever he decided to do. It was really that which enabled Kohl to carry this through. Looking back on it, the price we all paid for the rush to German re-unification, the rush to peg the Deutschmark and the Ostmark, what that did to the European economy, the unemployment it caused us all, the inflation over the next five to six years, we did all pay a huge price for it. I can't say Mrs Thatcher's policy was necessarily a mistaken one. It unfortunately just didn't work. But of course she tended to express it with a characteristic vehemence, lack of diplomacy and tact, which gave the impression that we were basically anti-German. To a degree she was, yes: she was afraid of a united Germany, its weight in Europe, the degree to which it would dominate European issues, particularly the European Community. But again, that's an historic British concern. We've always been suspicious of a single dominant power in Europe and have seen the importance of establishing a balance of power within Europe and that is deeply rooted.

LC There are some who would say she lost an opportunity there to be a leader in Europe. It wasn't something she wanted necessarily; she could perhaps have been a figure in the development...

LP She could have been a leader in two respects in Europe. The first was definitely the Gorbachev relationship and getting through to the position where the Cold War was coming to an end. And secondly was in transforming the Common Market from a purely political organisation into something which was actually economically good, an internal market which got down the barriers and opened up trade within Europe. She was a leader in both those respects. What she was not interested in being a leader of was a Europe bent on eroding and eventually destroying individual nations, and a Europe which saw itself as something separate and distinct from the United States, rather than a natural partner of the United States. She wouldn't have wanted to lead the sort of Europe which has emerged since that time...

LC Yes, but wasn't she interested in being in there, to making the kind of Europe she wanted.

LP Well, she was. And she set that out in Bruges, but, unfortunately, by then the momentum of the single currency, and the momentum of the federalists in Europe, had run too far. It was too late to turn back that tide, and that, of course, is still the problem which divides British politics and political parties today. It's just as acute as it ever was and Tony Blair is no closer to solving that one.

END TAPE 1.

LP I suppose South Africa first hit the Thatcher government in 1979 in the Rhodesia context. Because of course it was a major factor in paving a settlement in Rhodesia.

LC You did touch on Rhodesia.

LP Yes, we tended to look at South Africa through the eyes of its role in the Rhodesian conflict. But beyond that Margaret Thatcher had a very strong view about sanctions and South Africa, believed that they actually did more to damage the people they were trying to help than they helped in any conceivable political way to achieve their objectives. So she resolved not to agree to sanctions against South Africa or if she was compelled to agree to something to make them as small and inoffensive as possible. That's the line she pursued very consistently throughout the 1980's, never did agree to much in the way of the sanctions against South Africa. There were steps taken in the Commonwealth and in the EC context.

But that did not mean that she wasn't as active in using the influence which she believed her stand against sanctions gave her, to bring steady substantial pressure on the white government to change its ways and allow political progress in South Africa. I think that did have the effect...

LC Even under Botha, do you think.....

LP At least she dealt with him, she let him hear some hard truths. The trouble with shunning people, systems and countries completely is that they become impervious to you. She believed that by having a go at them that she could produce change. Most South Africans, and certainly Mandela, will tell you she had a considerable effect in the 1980's in altering the perspectives of the South African government. But the conventional wisdom elsewhere was that sanctions really counted, and brought South Africa to its knees. I don't believe that myself. Mrs Thatcher had a very steady, consistent policy. It got her into trouble with the Commonwealth...

LC And with the Foreign Office or not?

LP A bit, yes. The Foreign Office was readier to accommodate sanctions, ready to accommodate diplomatic pressures. Geoffrey Howe was robust, and no great proponent of sanctions. He might have gone a bit further here and there than she was prepared to go but not in a Commonwealth context. South Africa was the only issue they talked about in the Commonwealth in the 1980's which made it a disappointing organisation. Every meeting was dominated by it. There was usually, Mrs Thatcher contra mundum to the point that at her last Commonwealth Prime Ministers meeting in 1989 we issued our own individual statement on South Africa, having found the one that the Foreign Ministers, including our own Foreign Secretary had produced not entirely satisfactory. Like many of her policies it was controversial, but a good deal more effective than people give it credit for.

LC I suppose some of her comments seem to lack in tact all the time.

LP Well, she never believed in tact. She thought tact was for diplomats. She liked to spell

things out.

LC I remember comments about a concession being very, very small, where the other side....

LP …….such as referring to the ANC, much beloved by so many progressive Europeans, as a terrorist organisation at the time of the Vancouver Commonwealth Heads of Government meeting in 1987.

LC And you don't think that did any particular permanent damage to the Commonwealth, an organisation which was already...

LP No. I think it was an organisation of limited relevance. It was its own worst enemy by focussing so exclusively on South Africa to the exclusion of other, possibly more constructive, tasks. It has survived. It goes on now in its limited, but useful, way. So I don't think it was damaged, and the truth is that she wasn't anything like so alone in her opposition to sanctions as the public prints would make out. A lot of the countries had no intention of applying sanctions against South Africa; they wanted others to but they weren't going to do it themselves. I remember a very sophisticated President of Sri Lanka, Jayawardene, who was absolutely explicit. "I have got no intention of preventing the sale of tea to South Africa". There were others who were less forthright but equally opposed to sanctions. In Europe she got quite good support from Helmut Kohl, I have to say, who had a firm and solid view on South Africa not at all far from hers, and the Dutch, also in spite of an aggressive stance on other issues. She wasn't as isolated in Europe as you might think.

LC Did you get the opportunity to meet F W de Klerk or to talk to him?

LP Yes, I met him most recently in June this year (2000). He was certainly very much subject to her influence and persuasion and of course Mandela came to see her soon after he came out of gaol. So the idea as far as the black leaders of South Africa were concerned that she was the devil incarnate was hardly borne out. And I think it was very offensive to the Labour party to see Mandela meet with her. But things did change relatively peacefully (in South Africa) compared with what might have been. I admit some of her ideas about South

Africa were a little odd. I mean she was at one time much persuaded of the virtues of a Swiss type cantonal solution, a series of black areas, white areas scattered all over. Though she never proposed this as a formal policy, it was something she toyed with quite a lot and she was somewhat susceptible to the views of Laurens van der Post on a lot of issues including philosophical issues. He certainly helped persuade her that it was wrong to focus all attention on the ANC.

LC And there was obviously no clash with the House of Windsor on her attitude to the Commonwealth?

LP It is inherently probable that some members of the Royal Family or Household were worried that her highly confrontational stance on South Africa could lead to the break up of the Commonwealth. The Commonwealth was very important to the Royal Family. It's part of their raison d'être, it's the wider stage that they have, not just Britain, visits and allegiances and all the things that go with it.

LC OK. There are areas we didn’t really look at. We did talk about Mrs Thatcher's relationship with Ronald Reagan, but we didn’t look at a couple of cases where things weren't too easy..

LP Yes, a few examples of where things did go wrong such as Grenada. She was highly indignant not so much about the actual invasion as that we weren't consulted and told about it in advance. One of the Queen's domains were taken over by military force without so much as a by your leave. And she was not persuaded by the argument that secrecy made it necessary. It rankled in her relations with Reagan for a while. Libya was an example of the other way, of extremely close co-operation. Britain was alone in that, every other European country was opposed to the American bombing. And within the British Government, Mrs Thatcher was almost alone in supporting it. Having asked a number of penetrating questions of Reagan, in an exchange of correspondence over a day or so, she was persuaded that the case for the American action was strong. The Americans needed the ability to use British bases to mount effective action and she willingly granted that.

So that was a good example of how the special relationship worked in practice. Arms exports did not give rise to many differences in opinion though we benefited greatly from the American inability to sell aircraft to Saudi Arabia. As a result we won the Al Yamamah project, the biggest order any country has ever won. The only contretemps of a serious sort over arms exports was when in we were trying to sell British army radio to the Americans and it was trumped by a French system. That really got her upset. I remember her raving at President Reagan on the telephone, how could you possibly buy a French system, it's scandalous? How could a French system work better than a British one? When he finally got a word in edgeways, he pointed out that it was half the cost, she was a bit silenced. There were very few differences. The big one which I think we have already talked about was the whole issue of nuclear weapons.

LP Yes. I'm glad I left when I did, before I was 50. I left when I was 48, 40 when I went to No 10. I think more people should do this: I think our system has become too specialised, too much devoted to vertical careers, where you stay in the same path for the rest of your working life. I've found it extremely useful: whether it would have been good to have gone back in again, is something I have not particularly thought about. I do think the FO has a lot of talented people, more than it needs for its role in the world. Some of that talent could usefully be released elsewhere in the economy and it should be an open enough system and structure to draw in the better people from the private sector. I hope in a way I've been a bit of a harbinger of what may lie ahead. We can't go on with the concept of a monastic order of diplomats.

LC Only they can deal with diplomacy?

LP Yes.

LC Well, perhaps that is a good point to stop.