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SECRETARY OF STATE FOR EDUCATION AND SCIENCE

Soviet and Eastern European Studies

1. We had a word in the House on 29 March about the proposals in the Wooding Review to improve the present inadequacy of Soviet and Eastern European area and language studies in British universities and polytechnics. The Prime Minister has already expressed concern about this (Paul Gray's letter of 19 March).
1 Aug pt 15.
2. Urgent steps are certainly needed to rectify the decline in these studies in recent years. The Soviet Union, and Eastern Europe, are bound to loom larger in our scheme of things for the foreseeable future. We need to develop the necessary expertise in this country for our dealings with the area.
3. You suggested that the FCO should seek additional resources from the Treasury and should be responsible for channelling them to the academic institutions. I do not think that this is the right way forward. As William Waldegrave has already made clear (in his letter

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of 23 March to Robert Jackson) we stand ready to pay the universities when they can provide us with the sort of service we need, particularly for language training and research. But although I understand why you are reluctant to use your powers of direction, the general funding of British universities and polytechnics is the responsibility of the Department of Education and Science. We should avoid setting up overlapping mechanisms.

4. In view of the need to make progress rapidly, I suggest that you should arrange for the whole issue to be thrashed out quickly by officials so that they can propose an acceptable way forward.

5. I am copying this minute to the Prime Minister, the Chief Secretary and Sir R Butler.

DH

(DOUGLAS HURD)

Foreign and Commonwealth Office

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24 APR 1990

Deu Douglas

SOVIET AND EASTERN EUROPEAN STUDIES

~~Thank you for your minute following our word in the House on 29 March.~~

The funding of higher education through the new Funding Councils relies now to a much greater extent than before on leaving the initiative to individual universities and polytechnics, on stimulating competition between them, and on allowing places to be provided more by reference to the demand from students than by central planning. We encourage employers and others to bring their own influences to bear on these processes. It is our agreed policy to encourage the diversification of income flowing into higher education. Government Departments already fund particular academic developments and research. This is not a question of overlapping mechanisms. It would be contrary to the thrust of my agreed policies in higher education if I were to start laying down specific plans from the centre.

In view of your concern, I have spoken to Henry Chilver at the Universities Funding Council about the prospect of a central initiative to get the new lectureships into place. He points to the academic plans now being prepared by universities which will take into account the recommendations of the Wooding Committee. Later on, his Funding Council will have regard to these plans in determining its block allocations to individual universities in 1991-92. But as in other fields, we have to find an alternative way of promoting the particular lectureships if we want to be certain that the recommended programme will be established quickly. Given the level of public funding of higher education, I agree that we should try to find a solution which does not require additional resources beyond those being planned.

I think it would be helpful if Robert Jackson went over the ground here with William Waldegrave, accompanied by senior officials. I believe they should be able to propose an acceptable way forward taking into account our respective positions. Given the need for early progress, I am asking Robert Jackson to see if suitable arrangements can be made.

I am sending copies of this minute to the Prime Minister, the Chief Secretary and Sir R Butler.

Yours ever,

JL