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10 DOWNING STREET

THE PRIME MINISTER

2 June 1981

Dear Sir Michael

Thank you for your letter of 6 May about the preparations for the forthcoming Festival of India and the associated financial problems.

I fully appreciate the difficult financial position in which the Festival Trust finds itself. But much as I sympathise, I regret that I can see no possibility of finding additional Government money to provide direct cash support for the Festival. As you know, the Government is, in fact, already supporting the Festival in a substantial way through its funding provision to the constituent organisations such as the British Museum, the British Library and the Arts Council. Government support for the organisations involved amounts to around £1 million. In the circumstances, I think that it is not unreasonable to look to the private sector for a contribution of around a quarter of that sum.

I was sorry to learn of the disappointing response so far from business. I understand that further action is being undertaken, in co-operation with the Foreign and Commonwealth Office, in the hope of securing a better response to your appeal for funds. I very much hope this will be successful, given all the interest in India in British industry and the country more generally. I believe it should be possible to raise from private sources the kind of money you have in mind.

I share your resolve that the Festival should be a success. It is important to relations between Britain and India that it should

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be. The efforts which you and other members of the Trust are making are much appreciated.

Yours sincerely
Raymond Stiller

Sir Michael Walker, GCMG.