

# Alastair Macdonald

Obituary in *The Times*

One of Alastair Macdonald's most treasured memories was investing in a greyhound called Gurrane Jet and watching it race at the old Wimbledon stadium. "While it was a lot of fun, it was not much of an investment," recalled William Keegan, one of half a dozen friends who owned a share in the hapless canine. "Neither the trainer nor the dog ever told us when, after a losing sequence, it was going to win."

Arguably a better investment would have been the 1984 sale of British Telecom, which was overseen by Macdonald, a former *Financial Times* journalist who had become a senior civil servant at the Department of Trade and Industry (DTI). Privatisation of state-owned industries had been central to the Conservative Party's 1983 manifesto and, after its election victory with a majority of 144 seats, the sale of BT became a priority.

"Every Monday morning I would chair a meeting of Kleinwort Benson and Linklaters, our lawyers, the Treasury, and our own team at DTI, and thrash through what had to be done, where we had got to on a thousand issues or so," he said. "We were monitored closely by [the trade and industry secretary] Norman Tebbit himself, who took a very keen interest in this."

Despite scepticism, the BT flotation went off with few hitches, becoming what was then the biggest privatisation in British history. Margaret Thatcher, the prime minister, was delighted, writing in *The Downing Street Years* (1993): "Its sale did more than anything else to lay the basis for a share-owning popular capitalism in Britain."

The effect of being freed from Treasury spending constraints meant a doubling of investment by BT, though tens of thousands of people lost their jobs. Consumers noticed a fall in real-terms prices, the disappearance of waiting lists for new phone lines and, for a time, an increase in the number of telephone boxes. "It was a convincing demonstration that utilities were better run in the private sector," Thatcher added.

Macdonald had been appointed undersecretary for information technology a couple of years earlier and was involved in the 1982 "IT Year", organising events to promote the benefits of the burgeoning industry. "I think the one that most people still remember was the Micros in Schools scheme, which some people would say opened the eyes of schoolchildren, and their parents, to what was actually happening in IT," he recalled.

He also became involved in the Alvey project, a response to the growth of Japan's fifth-generation initiative in computing. Its aim was to develop British technology, including in software engineering, intelligence and knowledge-based systems. The outcomes may not have been tangible but Macdonald believed there was a cultural gain. "For the first time in many disciplines, and certainly in IT, the three partners of government, industry and academe, working together as teams, was a very powerful and positive output from Alvey," he said.

Despite being an instrumental part of the technological revolution, Macdonald was not himself technically minded. He was once seconded to the Ministry of Defence, necessitating a quick change of home telephone number for security reasons. "Despite this being my first week at university and with no other way for me to make contact, he forgot to mention it to the family," recalled Fiona, his daughter.

Alastair John Peter Macdonald was born in Twickenham, southwest London, in 1940, the eldest of three children of Ewen Macdonald, an engineer who worked for a company producing meters to control the flow of pressure in power stations, and his wife, Hettie (née Spry); his younger sisters, Kathryn and Sheena, both became teachers and survive him.

He was brought up in Wimbledon, remaining a supporter of the local football team for the best part of 75 years. At Wimbledon College he was educated by Jesuits, recalling that they "provided a demanding academic discipline [and] were very proud of their traditions of teaching classics and arts subjects". In the sixth form he was part of a group who did their homework at the local public library, where the main newspapers were available on large lecterns and easy to read. When the library shut, they continued in the Alexandra pub.

Leaving school in 1959, Macdonald spent the summer working at Foyles bookshop in central London before reading modern history at Trinity College, Oxford, part of the first intake not to have been subjected to compulsory National Service. He became involved with *Isis*, the student magazine, working with Richard Ingrams, Paul Foot, Willie Rushton (who was not a student at that time) and Andrew Osmond. "They spoke about wanting to start a satirical magazine like the French *Le Canard enchaîné*," he recalled. "And the term after they left, indeed the term in which I took over as editor of *Isis* [in succession to Grey Gowrie, obituary, September 24, 2021], they started this strange little magazine which had the title *Private Eye*."

On graduating he spent nine months at *The Spectator* and in 1963 joined the *Financial Times*, writing a couple of features a week about different industries. "That experience was actually almost like going to a business school for a year or two," he said.

His career progressed well, with a spell in Washington. In 1966 he returned to London as features editor and met Jane Morris, a secretary at the paper. They kept quiet about their courtship, but one day a staff photographer travelling on the No 11 bus along Fleet Street spotted them arm in arm. News of their liaison quickly spread throughout the office and they were married in 1969. Jane survives him with their children: James and Lucy, who are teachers, and Fiona, who works in corporate communications.

By the age of 28 Macdonald was growing restless in his work. “Being in Washington, I got to know quite well a lot of people at the British embassy who were kind enough to say, ‘Well, if you are ever looking for something else, why don’t you try the civil service?’ . . . It sounded quite stimulating.”

He started at the Department of Economic Affairs, which was soon absorbed into the Treasury, and by 1971 was at the DTI. Asked once why, being so devoted to newspapers, he had moved into the civil service, he looked his best friend in the eye and replied in a determined voice: “Power is where power lies.” The family recalled that while he avoided bringing home the stresses and strains of work, they were not exempt from civil-service speak. Phrases such as “I would be grateful for a quiet word” were enough to set alarm bells ringing, while the response “We will see” to one of their suggestions meant that it would never happen.

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After his forays into IT he was seconded to the MoD in 1990 before returning to the DTI as director-general (industry), overseeing industrial policy. He retired in 2000 but became a civil service commissioner, helping to regulate the appointment of senior civil servants. He was also president of BCS, the Chartered Institute for IT.

Macdonald was a man of great probity. He did not invest personally in the BT flotation and as a civil servant always insisted on paying his own share of a meal with a journalist. Yet he could still make mischief. At the height of the Vietnam War, he and Keegan were enjoying lunch in Washington with a couple who had been married that morning. After several bottles of wine, the groom asked if Macdonald should check whether the *FT* in London was in need of stories. In those pre-mobile phone days he made his way to the office near by. Returning a few minutes later he picked up a glass and declared: “They asked me what news there was today.” Pause. “I told them there is no news in Washington today.”

**Alastair Macdonald CB, journalist and civil servant, was born on August 11, 1940. He died after a short illness on January 9, 2022, aged 81**

**Ian Taylor** added ...

Alastair was an influential ally in the mid 1990s when I was Technology Minister. Seeing the ways interconnectivity was happening in the digital world, we formed the Multi-Media Industry Advisory Committee bringing together leaders of industries that were at that stage unconnected. Also IT for All and IT for Schools were major campaigns. Great man, RIP.