SUBJECT CC MASTER



BMDAIT cell

## 10 DOWNING STREET

From the Private Secretary

14 April 1986

Dear Colin,

## PRIME MINISTER'S MEETING WITH THE SOVIET AMBASSADOR

The Prime Minister received the Soviet Ambassador this morning for a farewell call.

The Prime Minister said that Mr. Popov had been in London during an interesting period. The highlight had been the visit of Mr. Gorbachev. She had been pleased to have the opportunity for a long talk with him before he became General Secretary. She continued to believe that the two of them could do business together. Their talk had created a better mutual understanding of their respective positions.

Mr. Popov said that he was grateful to the Prime Minister for finding time to see him and grateful to the Foreign Office for the assistance he had received during his five-and-a-half years in London. The Prime Minister said that she would wish Mr. Popov to represent very strongly to his authorities her hope that Sir Bryan Cartledge would be given access to Mr. Shevardnadze when he required it. Sir Iain Sutherland had been treated dismally on his departure from Moscow. She drew attention to the contrast between this and the access given to Mr. Popov in London.

Mr. Popov continued that he was proud to have contributed towards developing relations between the Soviet Union and the United Kingdom. He agreed with the Prime Minister that the visit of Mr. Gorbachev and his delegation had been a high point. The next step was to move on from general exchanges to solution of particular problems. The Soviet Union looked forward to the forthcoming visits of the Secretary of State for Energy and the Parliamentary delegation led by the Lord President. Equally, Mr. Shevardnadze was looking forward to his visit to the United Kingdom this year. The Prime Minister confirmed that we were also looking forward to Mr. Shevardnadze's visit. She would hope to see him while he was here and would talk with her customary frankness. Mr. Popov observed that it was 10 years since a Soviet Foreign Minister had visited the United Kingdom.

The Prime Minister said that progress on arms control was a high priority, both in the talks on nuclear arms in

TP

Geneva, in the talks to restrict chemical weapons and in the MBFR talks in Vienna. She was pleased to note that a Soviet delegation would be visiting London very shortly for talks with officials on these issues. Considerable expectations had been raised by the meeting between President Reagan and Mr. Gorbachev and there would be acute disappointment if that meeting did not lead on to concrete results. People had been relieved to see the two of them talking and doing business together. The next Summit in the United States must, therefore, show progress in some areas at least. was no good setting unrealistic targets. Mr. Popov would have noticed that she herself had been sceptical of the goal of a world without nuclear weapons. The Prime Minister continued that she had hoped that after the Geneva Summit, the Soviet Union would have allowed more Soviet Jews to travel to Israel. She had been disappointed that there had been no progress on this but continued to hope that something would be done. It would have a good effect on world opinion.

Mr. Popov said he was glad to hear the Prime Minister speak of the need to achieve practical results. The proposals made by Mr. Gorbachev on 15 January to liquidate all intermediate range nuclear weapons in Europe were very realistic and should have been attractive to the United Kingdom. They were not necessarily the final proposals of the Soviet Union. They remained ready to discuss any proposals and to consider all international systems for verification. Mr. Popov continued that there were also problems to be solved in the commercial field. He had taken a personal interest in the development of trade between the United Kingdom and the Soviet Union. He was sad to see Britain losing out to Japan and West Germany, as well as France and Italy. Other countries seemed ready to offer better credit terms.

Mr. Popov said that he expected Mr. Gorbachev to invite him to call soon after his return to Moscow to talk about the United Kingdom in which he remained very interested. wondered whether there was any particular message which the Prime Minister wished him to convey about the future of United Kingdom/Soviet relations or wider international developments. The Prime Minister said that Mr. Popov could say that her basic approach to the problems of arms control and security remained as she had explained them to Mr. Gorbachev at Chequers in December 1984. Every country was entitled to security and must respect the rights of others to security. She believed there was scope for progress on arms control but this required detailed negotiation in Geneva rather than the exchange of general proposals. As regards United Kingdom/Soviet relations, we were anxious for good trade relations. We also wanted to expand our contacts with the Soviet Union. She felt that her talks with Mr. Gorbachev had helped set the framework for his eventual Summit meeting with President Reagan in Geneva. She therefore hoped very much to be able to continue the discussion and dialogue with Mr. Gorbachev one day. She hoped that Mr. Popov would say that to Mr. Gorbachev.

Mr. Popov said that on his return to Mocow he would take up the job of Ambassador-at-large. He hoped this would continue to bring him into contact with the United Kingdom.

I am copying this letter to Michael Stark (Cabinet Office).

yours sharely

(C.D. Powell)

Colin Budd, Esq., Foreign and Commonwealth Office

CONFIDENTIAL