

PRIME MINISTER

THE WEST'S BARGAINING POSITION VIS-A-VIS OPEC

You will see from the attached FCO letter, <sup>4.6.79</sup> and its enclosure, that a good deal of work is already in hand on the study which you asked to be made of the bargaining position of the main oil-consuming countries vis-a-vis the oil producers. You may like to glance at the paper on the medium-term prospect for the world energy market over the weekend.

I have the impression from the FCO <sup>letter,</sup> however, that the work is going ahead at a fairly leisurely pace. Would you like me to make it clear to all concerned that you will wish to be in a position to put forward specific proposals on the substance of a Western bargaining position at the Economic Summit in Tokyo?

*John*

This just isn't what we  
are wanting. There is virtually  
no assessment of other bargaining  
countries available to us. This  
is just a leisurely disquisition  
on the demand/supply position on  
oil assuming nothing unusual  
happens at

7 June 1979