

Prime Minister

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Content with Objectives (Annex B)
and list of briefs (Annex C).

Ref. A07710

MR COLES

Yes not A.S.C. $\frac{4}{3}$.Visit of the Indian Prime Minister, 21-25 March

This will be Mrs Gandhi's first official visit to Britain since she was returned to power in January 1980. She previously paid an official visit in 1973, though she has visited London privately several times since. The visit is in return for that paid by the Prime Minister to India last April.

2. Two years after her return to office as Prime Minister, Mrs Gandhi is firmly in charge. She has no serious rival either within her own party or among the opposition parties. She dominates the Congress Party and the Government and in practice takes all decisions of importance, including those relating to major industrial projects and defence purchases. She has now got back the zest she lost after the death of her son, Sanjay.

3. The main purpose of the Prime Minister's visit to India was to influence Mrs Gandhi in Britain's favour politically and commercially. It was successful on both counts. The return visit will be of great significance in maintaining the favourable momentum in our relations with a country which is fast becoming one of our leading markets. It will help to develop the rapport established by the Prime Minister with Mrs Gandhi last April. It will offer an opportunity for an exchange of views on international issues at a time when India is beginning to shade her non-alignment towards Western Europe and when she considers that both super-powers fail to take her into proper account. Mrs Gandhi would hope to demonstrate to a wider audience that India has standing in the West whatever view may be taken in Washington.

4. The Prime Minister will no doubt wish to use the opportunity of Mrs Gandhi's visit to advance our commercial interests. Since, on present plans, Mrs Gandhi is only expected to bring a small team with her, it may not be appropriate to turn her visit into a hard-sell operation in support of the various large-scale projects



for which British firms are currently bidding. We might have to revise our views on this if it were to emerge that Mrs Gandhi was going to be accompanied by a larger group of Ministers, including her Commerce Minister. For the moment, however, I suggest that our aim should be for the visit and talks to produce a noticeable improvement in the climate of our bilateral relations which will in turn serve the interests of Britain's exporters. Both the Foreign and Commonwealth Office and the Department of Trade have assured me that the Prime Minister will be appropriately briefed on all our major export projects, particularly negotiations for the Orissa Steel Plant, which will we hope soon be approaching a favourable conclusion, and also on the construction of a super thermal power station on which the Indian Government is close to the point of deciding whether to negotiate with Britain. The briefing will identify these and other contracts on which it might pay dividends if the Prime Minister could say a few words to Mrs Gandhi.

5.. The visit will coincide with the opening of the Festival of India, a major programme of concerts, drama, seminars and exhibitions of Indian art and scientific achievement which will run from March to November 1982. For Mrs Gandhi the Festival is important as a means of projecting a modern image of India in the United Kingdom and she is taking a close personal interest in the detailed arrangements. From our point of view we intend that the Festival should remind the Indians of the depth and substance of India's relations with the United Kingdom, which far exceed those with other European countries such as France which is making special efforts to woo her.

6. Since any lengthy discussion of our bilateral relations usually leads the Indians to air their traditional complaints (about immigration, race relations and the imbalance in trade) I suggest that the Prime Minister be advised to steer her session of talks with Mrs Gandhi mainly towards international issues. This would also be appropriate since Mrs Gandhi is a prominent member of the Non-Aligned Movement and a world figure. Mrs Gandhi will probably expect to hear the Prime Minister's account of the state of East/West relations and will for her part, no doubt, wish to emphasise India's non-aligned position and to explain her views on Indo/Pakistan relations, on Afghanistan, and (following the recent



New Delhi conference) on North/South economic issues. Commonwealth matters may be on her mind as she is the next host of the Commonwealth Heads of Government Meeting.

7. As regards those bilateral issues where we are likely to be on the defensive, the Prime Minister will be briefed to reply frankly on Indian grievances in the areas of aid (both bilateral and multilateral) and bilateral trade (continuing imbalance and restrictions of specific Indian products eg textiles). Mrs Gandhi is also likely to raise questions relating to immigration policy, particularly in the light of the recent visit to India by the Parliamentary Sub-Committee on Race Relations and Immigration.

- 8. I attach at Annex A the draft programme for the visit, at Annex B a note of the suggested objectives of both countries and at Annex C a list of suggested briefs. I should be grateful if you could let me know whether the Prime Minister is content with these objectives and with the list of briefs, which will as is customary be coordinated by the Cabinet Office. Provided that you agree, we will aim to arrange for these briefs to reach you by close of play on Monday 15 March. This will leave only two days before the Prime Minister's briefing meeting on Wednesday 17 March; but with Mrs Gandhi not arriving until Sunday 21 March, to call for the briefs any earlier than 15 March would run the risk of a number of them having to be revised.

ROBERT ARMSTRONG

4th March 1982

INDIAN PRIME MINISTER'S VISIT TO LONDON

DRAFT PROGRAMME

Sunday 21 March

1800 Arrival. Met by Prime Minister. Ceremonial Guard.

Monday 22 March

1100-1200 Tête-à-tête talks between Prime Ministers.
 1200-1300 Plenary talks involving Ministers and officials.
 1300 for 1315 Lunch given by Prime Minister.
 1700 Meeting at British Academy/Royal Society.
 2000 Inaugural Concert of Festival of India.
 Prince of Wales and Prime Minister will attend.
 2215 HM Government Reception at Festival Hall.
 Hosted by Minister for the Arts. Prime Minister
 will attend briefly.

Tuesday 23 March

0900 Call by Leader of the Opposition.
 1030 Event linked to Spastics Society.
 1115 Visit to Nehru Exhibition.
 1245 for 1315 Lord Mayor's lunch.
 1505 Visit 'See India' exhibition at Selfridges.
 1630 Opening of Hayward Gallery Exhibition by Mrs Gandhi.
 Prime Minister will attend.
 1800-1900 Reception by Indian High Commissioner for
 Indian Community.
 2015 Indo/British Association Dinner. Prime Minister
 will attend.

Wednesday 24 March

1045 Meeting with Sir Denis Hamilton and senior
 representatives of the media at Government
 Press Centre.
 1115 Press Conference at Government Press Centre.
 1300 Lunch with HM The Queen.
 1600 Opening of Science Museum Exhibition by
 Prime Minister; followed by Indian Government
 Reception at Science Museum.

/1745

1745

Meet the Speaker.

1815-1915

Address Commonwealth Parliamentary Association.

PM

Private visit to theatre.

Thursday 25 March

2200 (approx)

To be spent privately.

Departure.

INDIAN PRIME MINISTER'S VISIT TO LONDONUnited Kingdom Objectives

1. To cement the Prime Minister's personal relationship with Mrs Gandhi.
2. To advance British commercial interests, including defence sales.
3. To improve Mrs Gandhi's regard for Britain as both an influential and a sympathetic Western interlocutor and to strengthen the habit of consultation.
4. To reaffirm our commitment to help Indian economic development through our aid programme.
5. [Defensive] To reassure Mrs Gandhi of our commitment to a multi-racial society in Britain.

Indian Objectives

1. To explain India's non-aligned view point, with particular regard to Afghanistan, to discuss Pakistan, and to probe British and American intentions in the area. Mrs Gandhi is concerned at the Western view that India is in the Russians' pocket.
2. To urge a more responsive British and Western attitude on North/South issues after Cancun.
3. To secure our support for continued Indian access to its traditional 40% share of IDA lending, which is now under threat from American policies and China's accession to the World Bank group.
4. To seek the maximum possible British bilateral aid commitment and reconsideration of our policy of linking aid to specific projects.
5. To demonstrate India's commitment to making the Festival of India a success
6. To urge us to adopt a more sympathetic approach to questions of race relations and immigration and the problems of United Kingdom Passport Holders in India.

INDIAN PRIME MINISTER'S VISIT TO LONDON

LIST OF BRIEFS

<u>Brief No</u>	<u>Lead Department</u>	<u>In Consultation with</u>
1. Steering Brief	FCO(SAD)	
2. East/West Relations (including Poland)	FCO(EESD)	
3. Arms Control and Disarmament	FCO(ACDD)	MOD
4. Afghanistan	FCO(SAD)	
5. Namibia	FCO(SAFD)	
6. Arab/Israel	FCO(NENAD)	
7. Regional Issues (including South-East Asia, China, Indian Ocean Peace Zone)	FCO(SAD)	
8. Indo-Pakistan Relations	FCO(SAD)	
9. Indo-US and Indo-Soviet Relations	FCO(SAD)	
10. Nuclear Matters	FCO(SAD)	Dept of Energy
11. India and the Commonwealth	FCO(CCD)	
12. North/South Relations (post Cancun)	FCO(ERD)	ODA, Treasury
13. India and IMF/IBRD/IDA	FCO(SAD)	ODA, Treasury
14. UK Aid	ODA	FCO(SAD), Treasury
15. UK/India Trade	DOT	FCO(SAD)
16. India/EC Relations	FCO(ECD(E))	DOT, DOI
17. Defence Sales	MOD	FCO(SAD)
18. Immigration/Nationality	Home Office	FCO(SAD)
19. Festival of India	FCO(CRD)	
20. Other Bilateral Issues (including Sporting Links with South Africa)	FCO(SAD)	DOE
21. India political and economic (background)	FCO(SAD)	

Sub

India

SIR ROBERT ARMSTRONG

VISIT OF THE INDIAN PRIME MINISTER
21-25 MARCH

Thank you for your minute of 4 March. The Prime Minister is content with the objectives in Annex B and the list of briefs in Annex C.

Monday, 15 March was the date by which briefs will reach me is entirely acceptable.

A. J. COLES

5 March 1982

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From the Permanent Secretary
M. D. M. Franklin, CB CMG

DEPARTMENT OF TRADE
1 VICTORIA STREET
LONDON SW1H 0ET

TELEPHONE DIRECT LINE 01 215 3785
SWITCHBOARD 01 215 7877

2 March 1982

Sir Robert Armstrong KCB CVO
Cabinet Office
70 Whitehall
London SW1A 2AS

Dear Robert,

VISIT OF THE INDIAN PRIME MINISTER, 21-25 MARCH
OBJECTIVES AND BRIEFING

Michael Palliser sent me a copy of his letter of 22 February to you.

So far as the commercial aspects are concerned, the Prime Minister will I am sure not want to miss the opportunity to push home our commercial interests and we will see that she is adequately briefed both on our major export projects as well as on the complaints she may get from the Indianside, eg over textiles. Nevertheless, we are broadly content with the approach suggested by Michael Palliser on the understanding that Mrs Gandhi will bring only a small team with her. If she were, however, to be accompanied, eg by the new Commerce Minister, then we might wish to suggest a harder sell than that envisaged by Michael Palliser would be appropriate: there are projects other than the steel mill and thermal power station where we have reasonable prospects of success.

I am copying this to Michael Palliser and the other recipients of his letter.

*Yours ever,
Michael*

M D M FRANKLIN

cc Sir Michael Palliser GCMG
Foreign & Commonwealth Office

Sir Douglas Wass GCB
HM Treasury

Sir Brian Cubbon KCB
Home Office

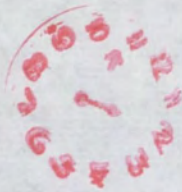
Sir Frank Cooper GCB CMG
Ministry of Defence

Sir Peter Carey KCB
Department of Industry

Sir Peter Preston KCB
Overseas Development Administration

Sir Donald Maitland GCMG OBE
Department of Energy

A J Coles Esq
10 Downing Street



MAR 12 1982

