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NOTE OF DISCUSSION BETWEEN THE CHANCELLOR
OF THE DUCHY OF LANCASTER AND THE SOVIET
AMBASSADOR, 13 FEBRUARY 1981

PRESENT:

The Chancellor of the Duchy of Lancaster

The Soviet Ambassador, His Excellency V I Popov

In attendance:

Mr Muradian

Mr Birch

During a courtesy call by the Soviet Ambassador, the Chancellor referred to the cancellation of a talk which he had intended to have with Mr Popov's predecessor: this had been called off because of the Soviet invasion of Afghanistan. While he did not wish to cross lines with any Ministerial colleagues, he felt bound to say that in his opinion the Soviet Government showed no sign of ever intending to retreat from Afghanistan.

In reply, the Ambassador said that the decision of the Soviet Government in respect of Afghanistan had not been easy. Three successive Afghan governments had however appealed for help and no other decision than that taken was possible in view of the treaty between the USSR and Afghanistan. Now the Soviet Government's concern was with the present situation and they did not wish to keep their forces in Afghanistan once the reason for doing so - the threat to Afghanistan - had disappeared. His Government had proposed a political solution last year, and when the situation began to improve they had withdrawn part of their forces.

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Some observers held that arms were being supplied to the Afghan rebels to assist them, and the longer this continued the more a withdrawal would be delayed. Others said that a million refugees had fled the country but many had done so under duress. Already 200,000 had returned and others would do so. It was natural that some refugees would be afraid to return because of military activity on the border with Pakistan. It was important to obtain a political resolution of the tension on the borders with both Pakistan and Iran. He noted that Pakistan had started talks with Afghanistan but had then stopped them probably under external influence. The Afghan Government was sovereign and had responsibility to decide the issue. It was unrealistic to imply that anyone else could solve the issue.

The Chancellor thanked the Ambassador for his exposition but noted that not only the British but other Governments had a different perception of what had happened. Events had put a strain on Soviet-British relations and he hoped that no further strains would occur. He was not aware of any action by the British Government which placed a strain on the Soviet Government or was a source of any disagreement.

The Ambassador said that he was under instructions to promote good relations between the USSR and the UK but there were certain obstacles. It would be desirable to have more bilateral contacts. The Soviet Government had developed good relations with France, Germany and Italy, and as a result there were quite frequent contacts between Parliamentarians of their respective countries. Similarly, exchange visits with the USA occurred at this level. Such exchanges with the UK had not taken place for some time and this impeded better mutual understanding. Also there should be better relations at the level of commercial and financial dealings. He noted in reply to an inquiry by the Chancellor, that the last visit to this country by the Soviet Foreign

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Minister had been in March 1976, and by the British Foreign Secretary (Dr Owen) in 1977. The Ambassador said that it was important for him to understand the current position in this country and he expressed interest in the ideas in the Chancellor's recent speech.

The Chancellor said that the speech stood on its own irrespective of the comments which had been made on it. It explained and restated the objectives of the Government and referred to the depth of the world recession which had affected Britain badly and set back the achievement of the Government's plans. When the recession ended we were well placed to take advantage of the improved economic situation. Unemployment was not peculiar to the UK but was serious in many other countries and worse in some. It was an unwelcome but inevitable consequence of the recession and had been made worse by the steep rise in the price of energy. The Government were however confident that they would come through the crisis and they had widespread support in pursuing this objective. It would take longer than had been expected for the Government to achieve its aims and meanwhile adjustments were needed in tactics and timing to help the people and industry through the present difficulties. He promised to send the Ambassador the text of the speech.

In reply to a question by the Ambassador, the Chancellor said that the Government had never claimed that their policy could bring results in less than ten years although they expected to make a significant start on fundamental changes within the lifetime of the present Parliament. They knew now that at least one more very difficult year lay ahead.

In conclusion the Ambassador asked two questions:

- (i) What would be the possibility of developing exchanges of visits between Parliamentarians

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of the two countries or at the level of scientific and research co-operation?

- (ii) Could the Chancellor advise the Ambassador whom he would be well advised to meet among experienced and knowledgeable members of the Conservative Party?

In reply the Chancellor said that he would consider the points put to him by the Ambassador but he did not know if Members of Parliament would necessarily think that this was the right time for exchange visits. He would consider with his colleagues the names of contacts with whom the Ambassador might wish to have further discussions. In conclusion he expressed the hope that improved relations between the two countries would continue to develop and hoped that no further strain would be placed on the West by any events in Eastern Europe or elsewhere.

The meeting ended with mutual expressions of thanks.

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R. A. B.

13 February 1981