





10 DOWNING STREET

From the Private Secretary

PRIME MINISTER

GORBACHEV

I don't know if you intend to make any sort of speech at lunch, but I attach some notes which might serve as a basis.

I'm not sure jokes will be appropriate.
But in one of his letters to Engels (written in May 1868) Marx recalled that his mother once said: "If only Karl had made Capital ... instead of just writing about it".

C. J. ?.

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PRIME MINISTER'S LUNCH FOR MR. GORBACHEV AT CHEQUERS ON SUNDAY 16 DECEMBER

SPEAKING NOTE FOR LUNCHTIME REMARKS

Warmly welcome Mr. and Mrs. Gorbachev and those accompanying them today to UK and to Chequers.

Sir Geoffrey Howe will formally and publicly welcome you on behalf of the Government tomorrow. For today, in this private forum, would like to make some more informal remarks.

Looking forward greatly to opportunity to have more detailed and thorough discussion with representatives of Soviet leadership than brief visit to Moscow in February allowed.

Glad it has been possible to arrange our meeting so soon after your arrival - before you make your mind up! Chance for me to steer you in the right direction.

You told our Ambassador the week before last you wanted to dispense with diplomatic formalities and get straight down to business. Share this view completely. Hope we can get down to some brass tacks.

Gone through a period when East/West relations poor. Things have not worked out as the optimists hoped in the 1970s. Instead of diminished tension, reduced levels of arms, constructive co-operation we have seen increase in

tension, no progress on arms control and the minimum of working together over the last few years.

Many reasons for this. Would not be honest of me if I did not say that certain Soviet actions have been among them. Not the moment for retrospection, but try to learn from the past and create a more stable future.

I decided Britain should do everything it could to try to move things back to more constructive path; embark on slow and painful business of rebuilding trust and confidence. No illusions that anything but long process requiring patience and persistence.

But how? First and most important, get to know each other. The confidence that comes from familiar faces, points of view fully understood if not necessarily agreed with. This means more contacts at all levels. Straightforward talking needed in all circumstances.

Personal experience important. See that wideranging programme has been arranged. Will enable you to see a real slice of British life.

Particularly glad that your wife could accompany you. Hope she will enjoy her programme. Her presence will add a special dimension to your visit.

Glad that you will be seeing something of our agriculture as well as industry. Could hardly be greater contrast between your homeland of northern Caucasus and Britain. You have rolling prairies; much of Britain still quite small fields bounded by hedgerows. As a result of scale on which we have to operate much ingenuity has gone into maximising production per acre, use of mechanisation.

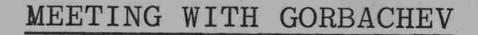
Here and in other fields, scope for exploring whether there are things we can usefully learn from each other.

/ William

William Shakespeare, who knew most things, also knew of the Caucasus and in his Richard II wrote:

"O who can hold a fire in his hand By thinking on the frosty Caucasus?"

What he meant was that images are not enough, we must have reality. That is what we need and our peoples want in our relations: reality and substance not stereotypes and outdated images of each other. Let us start on that process today.



Introduction

- 1. Want to set out general hopes for East/West and UK/Soviet relations.
- 2. End 1984 with more hope. Communication has been restored. Increase in high-level contact. Need to move on to better mutual understanding of each other's problems and attitudes. Look forward to Gromyko/Schultz meeting.
- 3. 1985 offers opportunities. Getting to know each other and building mutual confidence is first priority. My personal commitment and that of HMG to

search for better relations. Reagan also sincere in this.

- 4. Study of public statements by both sides shows interesting similarities : wish for peace and stability, desire for greater prosperity, help development in third world.
- 5. Don't hide behind old ideas. Want to convince you we are <u>not</u> threatening Soviet Union. Our weapons are defensive.
- 6. Suggest agenda of East/West, arms control and bilateral relations

Eas Vest

- 1. Want more consultation between Ministers and experts. Purpose: to understand each other's intentions and interests: build confidence: and co-operate in solving problems.
- 2. Regional problems. Central America avoid delivery of major new weapons systems. Afghanistan need negotiation and timetable for withdrawal. Middle East welcome our consultations: international conference premature.

Far East - prospects for Arkhipov's discussions in China.

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Arm Control

- 1. Welcome renewed talks with US on nuclear weapons. Soviet objectives/priorities in Geneva? Case for interim agreements?
- 2. Genuine commitment to halt/reverse NATO INF deployments if right agreement. But moratorium on NATO programme unacceptable.
- 3. Impression that US/Soviet negotiating positions on strategic nuclear weapons far from irreconcilable.
- 4. Particular importance of discussion of weapons in space. Glad Soviets now recognise logical link

between space-based defensive weapons and offensive nuclear forces.

5. Total CW ban needed. Must be adequately verifiable.

NUM

1. Reports in British press of contacts between Scargill and other NUM officials and Soviet Embassy. Also reports from Swiss sources of Soviet activities to transfer funds to NUM through Swiss banking channels. Take a very serious view of such activities as unfriendly and unwarrantable interference in British affairs. Urge not to make or allow such transfers.

UK/ VIET

- 1. Welcome Ministerial and Parliamentary contacts, also in cultural/educational field. More freedom of travel for individuals.
- 2. Trade: Welcome upturn but we need substantial contracts in next 5-year plan if upward trend to be maintained. Discuss with Mr Channon.
- 3. Further moves on human rights would do immeasurable good to Soviet reputation. Affects climate of opinion for intergovernmental relations.

PEREZ DE CUELLAR

- 1. Cyprus. Did our best to persuade Kyprianou to be realistic. How do you see the way ahead?

 How can UK best help in next phase?
- Lebanon. Know Mr. Urquhart just back. Assessment of prospects for wider role for UNIFIL?
 For Israel/Lebanon talks?
- 3. Falklands/Argentine.
- 4. Afghanistan. Any prospects of progress with Soviet Union on timetable for withdrawal of troops? Would be wrong to press Pakistan to make any more concessions: have done everything which can reasonably be expected of them.

/5. <u>S.E.Asia</u>.

- 5. S.E. Asia. Vietnamese behaving abominability in Cambodia. Hope Secretary-General will do all possible to bring pressure on them to withdraw.
- 6. <u>UNESCO</u>. Discussed this with you in April 1984. Regrettably little improvement since then.

Our notice of intention to withdraw unlikely to be rescinded unless substantial improvement in areas we have identified: programme concentration, more action outside Paris, avoiding

politicization, decentralization, less overlap.

7. Ethiopia. Grateful for your rapid appointment of Aid Co-ordinator for Ethiopia. Still scope fo improve planning.