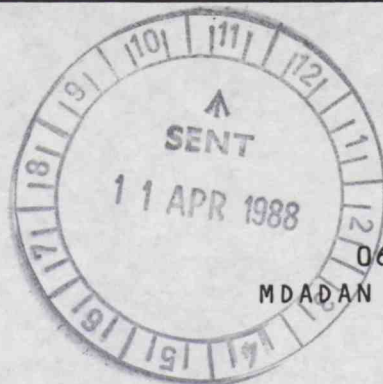


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PRIME MINISTER'S VISIT TO TURKEY

SUMMARY

1. THE ARDUOUS VISIT BY MRS THATCHER ON 6-8 APRIL WAS A GREAT POPULAR SUCCESS. RELATIONS WERE CEMENTED AND OZAL WILL BE WELL SATISFIED WITH THE OUTCOME. TURKEY'S ECONOMY, CYPRUS AND TURKEY/EC THE MAIN TOPICS. BUT BRITISH COMMERCIAL OBJECTIVES ALL MENTIONED: NO PROMISES BUT PROSPECTS IMPROVED DESPITE PESSIMISTIC SIGNALS OVER BOSPHORUS 3. PRIME MINISTER PLEDGED SUPPORT IN EC OVER AID BUT (SYMPATHETICALLY) NON-COMMITAL OVER OPENING ACCESSION NEGOTIATIONS.

DETAIL

2. THE TWO DAY PROGRAMME IN ANKARA AND ISTANBUL INCLUDED, IN ADDITION TO OBLIGATORY CEREMONIAL, TWO HOURS OF TALKS WITH THE TURKISH PRIME MINISTER, LUNCH AND DINNER WITH HIM, A JOINT PRESS CONFERENCE, TALKS WITH THE PRESIDENT AND WITH THE LEADER OF THE OPPOSITION, TWO MAIN SPEECHES, INAUGURATION OF THE ANKARA NATURAL GAS PROJECT AWARDED TO A BRITISH FIRM, AND VISITS TO THREE INDUSTRIAL SITES, A WARGRAVES CEMETERY, A SCHOOL, AN ARMY HQ AND TWO MUSEUMS.

3. THE VISIT WAS A HUGE POPULAR SUCCESS. THE USUALLY STOLID TURK TURNED OUT IN LARGE NUMBERS TO CLAP AND WAVE IN BOTH CITIES. ALL THE TALKS WENT WELL, AND EASILY. EVERYONE WHO IS ANYONE HERE TOOK PART IN THE PROGRAMME. PRESS AND TV COVERAGE WAS EXTENSIVE (AND PRESS PHOTOGRAPHERS A DANGEROUS PEST). BRITAIN'S PROFILE WILL HAVE BEEN SHARPLY RAISED.

4. SO WILL THE STANDING OF THE TURKISH PRIME MINISTER, AT A TIME WHEN HE NEEDED IT. WHAT MRS THATCHER SAID PUBLICLY ON TURKEY/

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EC, CYPRUS, THE ECONOMY AND HUMAN RIGHTS WERE ALL MARKEDLY HELPFUL TO HIM. IN RETURN, HE MAY HAVE SHIFTED A LITTLE ON THE TIMING OF THE EC ACCESSION (SEE BELOW) - BUT NOTHING FIRM ON CONTRACTS. IT WILL BE IMPORTANT, IN FOLLOWING UP THE VISIT, TO TRY TO CAPITALISE MORE SUBSTANTIALLY ON ITS SUCCESS.

TRADE

5. THE PRIME MINISTER PUT THE GENERAL CASE FOR BRITISH INDUSTRY AND MENTIONED ALL THE MAIN CIVIL AND DEFENCE BIDS. THE GENERAL RESPONSE WAS POSITIVE, ESPECIALLY ON MILITARY RADIOS. BUT SHE WAS LEFT WITH THE STRONG IMPRESSION THAT WE WILL NOT GET THE THIRD BOSPHORUS BRIDGE (SEPARATE TEL TO DTI).

CYPRUS

6. CYPRUS WAS DISCUSSED AT LENGTH - AND FOR MOST OF THE TALK WITH EVREN. THE TURKS WERE GRATIFIED THAT THE PRIME MINISTER HAD PRESSED VASSILIOU TO AVOID PRECONDITIONS OVER TROOP WITHDRAWALS AND TO DEAL DIRECT WITH DENKTASH. CONFIRMING HIS WILLINGNESS THEREAFTER TO MEET A QUATRE, OZAL GAVE THE IMPRESSION OF MORE FLEXIBILITY THAN HIS OFFICIALS (OR EVREN). BUT THERE WAS MUCH MENTION OF THE MARCH 1986 DOCUMENT.

GREECE

7. LIKEWISE ON RELATIONS WITH GREECE: HE HAD THE COURAGE TO COMPROMISE IN ORDER TO REACH SOLUTIONS - DID PAPANDEOU ?

REGIONAL

8. ALTHOUGH OZAL PRODUCED SOME INTERESTING INSIGHTS ON IRAN-IRAQ, HE HAD NO NEW IDEAS, OR PROSPECTS FOR EFFECTIVE MEDIATION. HE WAS IN TOUCH WITH IRAN OVER THE KUWAITI HIJACK (AIRCRAFT THEN AT MASHAD) BUT FULLY AGREED ON THE NEED TO AVOID CONCESSIONS.

ECONOMY

9. HE SPOKE OF HIS TRANSFORMATION OF TURKEY'S ECONOMY AND HOPES FOR CLOSING THE GAP WITH THE EC. THE NECESSARY TOUGH MEASURES WERE BEING TAKEN. (HE WAS NOT ALTOGETHER CONVINCING.)

TURKEY/EC

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10. OZAL MADE TWO PLEAS: FOR ACTION ON THE FOURTH FINANCIAL PROTOCOL AND, WHEN THE AVIS WAS CONSIDERED, A START TO NEGOTIATION, NO MATTER HOW LONG THOSE WERE GOING TO TAKE. THIS WOULD STIMULATE CONFIDENCE AND INVESTMENT. THE PRIME MINISTER SUPPORTED THE FIRST BUT GAVE NO COMMITMENT ON THE SECOND. HER LINE THAT BRITAIN WOULD CONSIDER THE AVIS IN THE LIGHT OF OUR CLOSE FRIENDSHIP NONETHELESS SEEMED TO MEET THE CURRENT EXPECTATIONS OF EVERYONE EXCEPT A SECTION OF THE TURKISH PRESS. AT THE JOINT PRESS CONFERENCE OZAL SAID THAT WHEN TURKEY JOINED DID NOT MATTER SO LONG AS THE PROCESS WAS STARTED.

11. I AM TODAY GIVING A COMMUNITY BRIEFING IN VERY GENERAL TERMS, DISTRIBUTING TEXTS OF SPEECHES ETC.

CONCLUSION

12. A VERY GOOD VISIT, PUTTING BRITAIN FIRMLY ON THE FRONT PAGES. THE PRIME MINISTER'S REPEATED PUBLIC SUPPORT FOR OZAL WILL HAVE PUT HIM IN OUR DEBT. BRITISH COMMERCIAL INTERESTS LIKELY TO BE ADVANCED. GOOD PROSPECT NOW THAT PLESSEY OR MARCONI WILL GET THE POUNDS 200 MILLION MILITARY RADIOS CONTRACT LATER THIS YEAR. BUT WE SHALL HAVE TO CONTINUE TO WORK HARD TO TRANSLATE THE GENERAL GOODWILL INTO THE PARTICULAR SALES. AND LIVING UP TO TURKISH EXPECTATIONS OVER EFFECTIVE SUPPORT IN THE EC MAY NOT BE EASY.

DAUNT

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