



10 DOWNING STREET

LONDON SW1A 2AA

From the Private Secretary

3 February 1989

*Prime Minister*  
*You may like to see*  
*this account of my talk*  
*with Kossov this morning.*

*CDP 3/2*

MR GORBACHEV'S VISIT

Mr Kossov of the Soviet Embassy came to see me this morning on what was largely a fishing expedition. But I record one or two points which emerged, in case they are of use. The main ones are:

- Kossov confirmed that Mr Gorbachev would arrive on the evening of 5 April, although probably not as late as had been envisaged for the original visit in December. He would also probably be able to stay a few hours longer than originally envisaged on the Friday.
- It was possible that Mr Gorbachev would be prepared to do a television interview during his time in London.
- Mr Kamentsev, who will be here next week, had been charged with preparing the ground for Gorbachev's visit. He would, of course, be particularly interested in bilateral matters. In this context, Kossov said that the Soviet Union would not be taking up the line of credit offered by British banks. Soviet indebtedness was simply too high at present, amounting to some 50 billion roubles (at least I think he said roubles), and the Ministries were all too likely to squander the money. However, we would find that Gorbachev would be looking for loans to finance specific projects or purchases.
- Kamentsev would also be looking at the possibility of improving the mechanisms of Anglo/Soviet trade. This was particularly necessary now that individual Ministries, enterprises and co-operatives would be able to have direct contacts with overseas companies and agencies. He envisaged the setting up of some sort of Anglo-Soviet co-ordinating committee, including representatives of banks and large firms, to try to speed up the process of identifying opportunities and concluding contracts. It would have private sector membership (on the UK side) but be supported by Government. Something similar already existed in the case of Germany, although there a specific bank had agreed to take the lead in establishing the co-ordinating body.

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- We discussed the question of the Prime Minister giving an interview for Izvestia. Kossov said that he was as sure as could be that Mr Gorbachev would give an interview to The Times before his visit, although possibly only quite shortly before. I said that I saw no difficulty in principle with the Prime Minister giving an interview to Izvestia, but she would like to feel that there was a degree of reciprocity.
- Kossov showed some nervousness about the Prime Minister's proposed interview with Ogonyok. He himself was a devoted admirer of the magazine. But it was controversial and Mr Korotich was under fire from both left and right at the present. It would give the wrong signal if the Prime Minister were to give an interview only to him and not to Izvestia.
- Kossov then went on to a long lament about the difficulties of arranging the Gorbachev visit. There remained a powerful lobby in the Soviet Foreign Ministry - "and even some in our Embassy" - who did not want to give priority to relations with Britain. They had built on problems such as the spate of press stories about The Queen being advised not to accept an invitation to the Soviet Union to create trouble. The recent story in the Daily Express (about the expulsion of Soviet spies) would greatly reinforce this school of thought. Luckily for us, Mr Gorbachev himself and those who had accompanied him on his original visit to Britain in December 1984 were determined to go ahead with the visit. I said that the internal arguments of the Soviet bureaucracy were not a concern of ours. We assumed that Mr Gorbachev wanted to visit Britain because he valued his relationship with the Prime Minister and recognized that she was the strongest voice in the West. I hoped that there would be no activities from the Soviet side which would jeopardise the visit.
- Kossov showed interest in the timing of a NATO Summit and the likelihood of an early decision on modernisation of NATO's SNF.
- Kossov tried on me again the idea of a joint declaration by Gorbachev and the Prime Minister on elimination of chemical weapons. I said that we were not in the business of joint declarations.
- Kossov showed some anxiety about the reasons why the Soviet Ambassador had been summoned to the Foreign Office this morning. He clearly feared that it might be linked to the recent Daily Express story.
- Kossov said that things were very difficult in Moscow at present and Gorbachev had an uphill task. The special plenum on agriculture had been postponed because preparations were not far enough advanced. There were

also difficulties over the elections. Nonetheless, he did not believe Gorbachev's position was at risk.

C. D. POWELL

Richard Gozney Esq  
Foreign and Commonwealth Office

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