Prime Minister.

Mr. Walker (attached minute) wants to go to Moscow in early May.

The Foreign Secretary would prefer him to wait till the autumn.

I think Sir Geoffrey would like to be the first Cabinet Minister to go.

Should I say that an autumn visit by Mr. Walker would best fit in with the gradual building up of contacts which AD envisaged?

A.J.C. 11/4.

PM/84/63

PRIME MINISTER

Proposed Visit to the Soviet Union by the Secretary of State for Energy

1. I have seen a copy of Peter Walker's minute to you of 10 April.

2. I think it would be a very good idea for Peter Walker to go to the Soviet Union, but I have three reasons for suggesting that May is perhaps not the ideal time:

- Kostandov has had a heart attack and may well not be fit by early May when Peter proposes to go;

- Paul Channon will be in Moscow later in May for the annual meeting of the Anglo-Soviet Joint Commission with a large party of businessmen; and the Chairman of ICI will be there during the same month, and also calling on Soviet Ministers;

- we have not yet had the serious collective discussion among Ministers about future UK gas supplies, with which the question of possible Soviet gas exports is connected.

3. My preference would be for Peter to go to Russia in the autumn, when the three difficulties mentioned above will not arise and when there will no doubt be points arising from the meeting of the Joint Commission to follow up.

4. I am sending a copy of this minute to Peter Walker.

(GEOFFREY HOWE)

Foreign and Commonwealth Office
11 April 1984

Peter No. The coal strike must take top priority. Only urgent or vital matters can displace that. Everything else must wait. MT.

CONFIDENTIAL

PRIME MINISTER

Towards the end of last year the Soviet Deputy Prime Minister, Mr Kostandov, invited me to visit Moscow to discuss energy issues of mutual interest. In recent weeks the Soviets have made further approaches. The Soviet Ambassador has now told me that his Government sees advantage in early discussions, and has made detailed proposals for a visit between the Soviet public holidays on 2 and 9 May. Subject to the state of play in the coal dispute I propose to accept, and indeed the Soviets are pressing for quick confirmation that the visit will go ahead.

In tactical terms there are strong energy policy reasons for a visit. Soviet oil and gas production and export policies are of significance, both in regard to the Middle East and to the overall European gas supply situation. When I was in Washington last month the Americans expressed keen interest in the result of an early dialogue, and I undertook to let Kenneth Dam have a note if the visit went ahead. There are of course a range of other issues which could, with advantage, be discussed, not the least of these being the prospects for energy trade. Paul Channon will visit Moscow a little later on to deal with specific trade issues. Our visits could be a useful precursor to Geoffrey Howe's discussions in July.

I would be grateful for your agreement in principle that I should go ahead with this visit, preferably on the dates identified by the Soviets, assuming the situation in the coal industry so permits.

I am copying this minute to Geoffrey Howe.

Peter Walker

SECRETARY OF STATE FOR ENERGY
10 April 1984

CONFIDENTIAL

File

Rw

10 DOWNING STREET

From the Private Secretary

12 April, 1984

VISITS TO MOSCOW

The Prime Minister has seen your Secretary of State's minute of 10 April and the minute of 11 April by the Foreign and Commonwealth Secretary.

Mrs. Thatcher has asked me to convey her view that the coal strike must take top priority and that everything else must wait. She therefore believes that your Secretary of State should postpone his plan to visit Moscow until later in the year.

I am copying this letter to Roger Bone (Foreign and Commonwealth Office).

A. J. COLES

M. Reidy, Esq.,
Department of Energy