Jp 0661

MR POWELL CDP

Soviet-Japanese Relations

I have already minuted to the Prime Minister about the likelihood that we shall see developments on this front before long. There is one further thought to be kept in mind, namely the possibility that Gorbachev, in his new capacity as President, might turn up for the Emperor's funeral. He could present this as a particular mark of respect to the Japanese; it would break the ice; and it would of course give him a chance for a final chat with President Reagan, who has indicated that he could attend if the funeral fell within his term of office.

I would not make too much of this. Gorbachev may well calculate that he is likely to get to Tokyo before long by a more normal route, following Shevardnadze's visit. On the other hand I would not dismiss it entirely.

PERCY CRADOCK

1 November 1988