CONFIDENTIAL

PRIME MINISTER

BILATERAL WITH THE FOREIGN SECRETARY

You have a bilateral with the Foreign Secretary tomorrow. Points which need discussion are:

- (i) Mr Gorbachev's Visit. The Foreign Secretary will wish to tell you about his talks with Shevardnadze and discuss follow-up to the visit. You will want to mention your talk with the President.
- (ii) <u>European Council.</u> You will want to discuss how we maximise the chances of getting our way in February. The first step is a message to the Germans explaining our thinking.
- (iii) <u>Situation in the Gulf.</u> There have been further Iranian attacks on shipping in the Gulf.
- (iv) Polish Foreign Minister. You will be seeing the Polish Foreign Minister immediately after your talk with the Foreign Secretary. You will want to know how his visit to the UK has gone.

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<u>Charles Powell</u> 7 December 1987