

CCBOP

PRIME MINISTER

BILATERAL WITH THE FOREIGN SECRETARY

You have a bilateral with the Foreign Secretary tomorrow. The subjects which he wants to raise are:

- His visit to Ireland

He was in Dublin yesterday and saw both the Taoiseach and Mr. Lenihan. He wants to report. We are working on the assumption that you will have your usual bilateral meeting with the Taoiseach in the margins of the European Council in Rhodes.

- Nigeria

He wants to tell you of his concerns about Nigeria where the economy is getting into ever worse trouble as oil prices fall further.

- Soviet Union

There are reasons to think we shall hear from the Russians in the course of this week about dates for Gorbachev's proposed visit. At the same time we face decisions on whether to expel a number of members of the Russian intelligence service in London. This is obviously very sensitive in relation to announcing dates for Mr. Gorbachev's visit. We will at least want to wait until dates are agreed and public. It would then be pretty difficult for him to cancel or postpone. But we shall want to avoid being caught in a cycle of expulsions once more.

- Commission Portfolios

He will wish to bring you up to date on his discussions with M. Delors about Commission portfolios. Apparently Delors was dubious whether he could simply transfer the internal market portfolio from Lord Cockfield to Leon

Brittan and was talking about the competition portfolio.
But it is still wide open.

- Your visit to Poland

He will probably want to hear your impressions of your visit to Poland.

- Hong Kong

You wanted to raise with the Foreign Secretary the concerns being expressed to you from various quarters (no need to mention sources) about the situation in Hong Kong. There are complaints that too much attention is devoted to keeping the Chinese Government happy: that British interests, particularly commercial interests, are being neglected: that there is no strong British voice in Hong Kong: that we ought to establish a British Commissioner quite distinct from the Governor, who would become a sort of Consul-General-in-waiting for the post-1997 period who would be responsible for pursuing purely British interests now. There are also concerns about the restrictive practices on civil aviation which are not consistent with preserving Hong Kong's reputation as a centre of free enterprise and competition; and renewed worries about our refusal to offer Hong Kong Chinese prepared to invest in this country citizenship, as a result of which Canada and Australia are getting all the best ones. You might ask for a note on these points as a prelude to discussion with the Chancellor, Home Secretary and Trade and Industry Secretary. But - health warning - this will not be well received by the Foreign Secretary.

C.D.P.

(C.D. POWELL)

8 November 1988

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