46(a-6)

PRIME MINISTER

## BILATERAL WITH THE FOREIGN SECRETARY

You have a talk first thing tomorrow morning with the Foreign Secretary. He has been in Bonn and Rome (you have seen the telegrams), and is just going off to the informal meeting of EC Foreign Ministers to discuss political union. But his Middle East visit later in the month is postponed because of the coincidence with the Arab Summit in Baghdad.

Points which you will want to raise are:

- Afghanistan. You are not comfortable with the idea of suspending aid to the Resistance or of returning our Embassy staff to Kabul. The disunity in the Resistance is indeed disturbing: and there is a risk that we shall be left as odd man out by not returning to Kabul (but surely we can agree with the Americans that neither will move without consulting the other). But psychologically this would be a very bad moment to hand the Russians a victory. It will feed an appetite for more. We should go on with our efforts to get the Resistance to drop its divisions and concentrate on the real enemy.
- Hong Kong. You do not see a need for a talk with Mr. Maude. The issues are simple and straightforward. You believe Dame Lydia would be an excellent spokesman for Hong Kong in the Lords: a decision today would still be in time for the Birthday Honours. You also feel that we should be thinking now of potential successors to the Governor, so that a replacement before 1992 is an option. You might ask for a progress report on where we are on a British building in Hong Kong, for post-1997.
- <u>Kashmir</u>. The intelligence about Pakistan's activities on the nuclear front is deeply worrying. Depending on the outcome of the mission by Bob Gates to India and Pakistan,

outcome of the mission by Bob Gates to India and Pakistan, Crispin Tickell should pursue his efforts to co-ordinate a position of the Five Permanent members of the UN Security Council in New York,

Visit of de Klerk. You will want to encourage the Foreign Secretary to soften up his EC colleagues for a relaxation of measures against South Africa, once the state of emergency is lifted. Otherwise we may have to act unilaterally again.

CD?

CHARLES POWELL 17 MAY 1990