PRIME MINISTER

BILATERAL WITH THE FOREIGN SECRETARY

You have a bilateral with the Foreign Secretary tomorrow, probably the last until well into the New Year. The subjects he wants to cover are:

Iraq

He will want to tell you about his conversation with Secretary Baker in Paris yesterday. You will find a telegram in the folder. He may also raise the question of the future of our Embassy in Baghdad: whether we should start to slim it down ahead of 15 January or even pull out altogether.

GATT

Again he will want to say a word about contacts he had in Brussels yesterday about the way ahead on GATT.

Soviet Union

He will want to give you his views on prospects in the Soviet Union in light of the current meeting of the Congress of Peoples Deputies.

Your visit to Washington

There will have been a briefing meeting earlier in the afternoon at which the main issues can be explored.

Overseas Visits

You are due to go to the Gulf from 6 - 9 January. We are exploring dates for you to visit Paris for lunch with Mitterrand, possibly 14 or 18 January. We are negotiating dates in February for bilateral summits with both France and Germany. You have told Gorbachev that you would be willing in principle to pay a very brief working visit to Moscow at the very end of January or in February. Those apart, we have no visits planned at present.

Christmas/New Year period

You may like to check with the Foreign Secretary on his movements over the Christmas/New Year period so that one or other of you is always available to react to any significant international development on which an authoritative statement is required.

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CHARLES POWELL

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