

PRIME MINISTER

BILATERAL WITH THE FOREIGN SECRETARY

You have a bilateral tomorrow with the Foreign Secretary. The main subjects to cover are:

- German unification. You will want to ensure that serious work starts straight-away at official level in the Four Powers and two Germanies forum, even if Ministers don't meet until after the 18 March election. You will also want to assure yourself first that the FCO will diligently pursue the issue of a Treaty to confirm the German-Polish border: and that preparatory work is being done on the implications of absorbing East Germany into the EC. We need to be seeking the widest possible understanding that the rest of us will not be expected to pick up additional costs as a result of GDR membership.
- South Africa. He will want to report on today's debate and suggest any additional points which you might make in Questions tomorrow. You will want to confirm that he is geared to be firm with his EC colleagues next week: and be sure that we shall cease to discourage investment and tourism whatever the rest of them do. Meanwhile Mandela continues to take a very courteous and correct line in public about your invitation to him.
- Hong Kong. We have had no direct reply from the Chinese to our last message. The results will probably become clear when the Basic Law Drafting Committee finishes its work later this week.

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C. D. POWELL14 February 1990

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