



C.C.F.C. (4)

CONFIDENTIAL

Prime Minister.

A

Agree to discuss these

issues in OD?

PM/84/83

See comments as
in letter

A.S.C. 23/5.

mb

PRIME MINISTER

The Security of Small States

1. At last November's Commonwealth Heads of Government meeting (CHOGM) you were instrumental in persuading your colleagues to commission a study into the security problems of small states. By defusing the sharp differences of opinion within the Commonwealth which had been caused by Grenada, the agreement to launch this study met a pressing political need at the time. But it also marked a recognition that crises in very small states can have far reaching implications, not only for the stability of the region concerned but also for wider Western interests. The little states concerned are struggling to be - or to remain - democratic and this government needs to put its policy towards small states squarely in the context of the obligation of the Western allies to defend and promote democratic values internationally.

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2. The Commonwealth study will not be completed until next year's CHOGM in the Bahamas. The best outcome from HMG's point of view would be agreement on some guidelines on which a coherent Western and Commonwealth approach could be based and as a result of which countries like Canada, Australia and New Zealand assumed greater responsibility. Insofar as is possible I shall steer the study in this direction, and have already provided the Secretary General with a paper analysing the nature of the problem and suggesting ways in which it might be tackled. It will help if, as is likely, Sir Anthony Parsons agrees to serve on the Secretary General's study group. In the meantime, we need our own policy. This minute sets out my own views and the considerations on which I intend to base my evidence to the Foreign Affairs Committee who have just begun their enquiry into microstates.

The problem

3. HMG is of course responsible for the defence and security of our remaining dependencies. Our determination to carry out these responsibilities was well demonstrated over the Falkland Islands and no one need doubt our

/resolution

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resolution on this score. The problem arises as little states - and our remaining dependencies are all small - come to independence, nominally sovereign, but effectively without the capacity to deter external threats or to cope successfully with determined efforts to subvert their government and way of life. With our allies and partners in the Commonwealth we need to develop policies which will increase the security of existing independent small states and provide a more secure internal environment for our remaining dependencies as they come to independence - an aspect to which the Foreign Affairs Committee is likely to pay particular attention.

4. Where the United Kingdom - and our allies - have obvious strategic interests - the Gulf is an example - HMG already have some defence arrangements in place. In the context of small states, work undertaken in my Department has focussed on parts of the world, (the Caribbean, and the islands of the Indian Ocean and the Pacific) where the UK's strategic interest is less direct or virtually non-existent but where a crisis can affect HMG's interests adversely, either because: first, the interests of our allies - especially the United States -

/are involved

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are involved (which can have repercussions for the Alliance as a whole), or, because the UK can be held to have certain residual responsibilities; or both. All these factors were involved in the Grenada crisis, and one can think of other countries, where this could be true again. Because of its importance to the United States, and because of our commitment to Belize, we shall need to be especially vigilant in the Caribbean.

HMG's policy

5. I do not believe that we should base our policy on the assumption that we would take preemptive military action to prevent aggression against or internal subversion of a small state. Our policy objectives therefore have to be:

(a) to prevent crises occurring rather than to intervene in the event or apply cures afterwards, and to do so primarily by helping small states to help themselves;

(b) to promote the growth of cooperative arrangements on a regional basis which will create a sense of local solidarity and a climate of confidence;

/(c)

This seems to go close to saying that we should have gone into Grenada.

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(c) gradually to diminish the extent of HMG's residual responsibilities and public expectations of us by sharing responsibility with allies and partners so that certain of them eg Australia and New Zealand in the South Pacific, Canada as well as the US in the Caribbean and possibly some of our Western European friends in the Indian Ocean assume more of a leading role.

Measures to promote the security of small states

6. We have looked at a range of possible policy instruments. Essentially these comprise:

British Diplomatic presence

7. Maintenance of a diplomatic presence in small states is important. A British presence in itself acts as a stabilising element locally and is indispensable to being properly informed about local conditions. Broadly speaking I do not think present levels of representation need to be increased in small states, except in a limited number of places, but I should be reluctant to see them reduced any further.

/Technical Assistance

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Technical assistance

8. Most of the small states considered here already receive generous British aid if calculated in per capita terms. I do not consider that we should spend a higher proportion of our capital aid programme on them (although there may be one or two instances where short-term increases would be justified in support of particularly important capital projects). But little states are frequently short of high quality civil servants because their own best people emigrate. I do believe therefore that technical assistance in the form of training local personnel and the provision of skilled manpower can make a significant contribution to political stability and thus to internal security, and that we should be prepared to increase our effort in this area in response to need. This particularly applies to the training of armed and police forces. It is hard to overestimate the dividend in political stability to be obtained from the existence of honest, loyal and well-disciplined armed forces and civil police. I am reviewing my own department's arrangements for such assistance with a view to determining whether the level and management of resources devoted to it is right.

/Information Policy

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Information policy

9. Information and cultural policies are important tools in the preservation of democratic values. We also need to use them effectively to gain support for HMG's policies and understanding of and sympathy for Britain as a ? country. For a variety of reasons, not least the existence of a substantial West Indian population in the UK, this is especially relevant in the Caribbean. (I think the BBC Caribbean service, cut a number of years ago, ought to be revived) and I am reviewing our information effort overall in the Caribbean as well as the possible reopening of the British Council there. We must ensure that a good standard of English is maintained.

Security Guarantees

10. The most direct means of promoting the security of small states would be to offer them bilateral security guarantees. But against other much greater priorities, and given that our vital interests are not at stake, such a policy would not be justified for the UK. Nonetheless, the steps being taken to improve our out-of-area

/intervention

More expenditure?
How we power
to direct this?

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intervention capability increase our freedom of manoeuvre and our ability to cooperate out-of-area with our allies as well as raising the level of deterrence generally.

Multilateral:

Regional Cooperation

11. Historically most experiments with federations have not had happy endings and for the foreseeable future the appetite among small states for separatism appears undiminished. They are, however, evincing more interest in the benefits to be had from closer cooperation with neighbours. We should encourage this as well as moves towards regional economic integration. Cooperation over security should also be fostered. A regional security system (RSS) was established [?] in the East Caribbean early last year. I think that the key to increasing the security of these islands lies in encouraging them to cooperate still further, and I am therefore proposing ways to increase our support to them. This would involve more military training and improving their ability to police coastal waters - not least against the drug traffic, which is as you know a source of concern to President Reagan.

Not in the East Caribbean

/12.

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12. The United States of course has the major responsibility for security in the Caribbean, but this sort of action on our part will, I know, be a welcome concrete sign to the Administration of our continuing interest and support for their policies as well as helping convince public opinion locally and in this country that the security as well as the welfare of the Caribbean remains of concern to us. The climate of confidence created by cooperation on a regional basis in security matters will not only increase deterrence against outside threats, but will also, along with other measures, help steady the nerve and the resolution of these small governments domestically. [We must, of course, recognise that were it to come to an actual intervention to forestall a coup, even when undertaken by small friendly neighbours at the invitation of the threatened government, there will be controversy, a consideration which reinforces the importance of HMG pursuing a sufficiently active preventive policy.]

*We ought to
work out more
carefully how we
are going to handle
subversion etc.
over from within.*

/The United Nations

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The United Nations

13. The UN Secretary General has advocated a more preemptive UN role in the event of potential crises. Laudable as this may be, the likelihood of the UN making an effective contribution must be slight given that policy would first have to be agreed in the Security Council. In general, we should give such ideas a fair wind without laying any great store by them.

Resource implications

14. If we want to pursue a somewhat more active policy in relation to the issues raised by the existence of small states, expenditure is involved. It need not be large. The measures I have identified so far and outlined in this paper, all of which relate to the Caribbean as the priority area, would cost a total of £2.8 million in the first year, £1.9 million in the second and £900,000 each year thereafter. I have made bids for additional funds to cover the bulk of this expenditure in this year's PES round. The measures are in themselves modest and cheap by comparison with the potential costs of either

No - this must
come only
F.O. contingents
we have too many
bids and I have
ALREADY (MARRS)
that the BRITISH
COUNCIL should
HAVE more
of

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preemptive military intervention or sudden, violent political upheavals which result in the installation of regimes which are either unfriendly or unstable or both.

Next Steps

15. When you have been able to consider the issues raised in this minute, it might be useful if we were to have a short discussion in OD to agree on the policy we should adopt. In addition to continuing to help the Commonwealth study, we might then approach our major NATO allies as well as Australia and New Zealand on a bilateral basis with a view to agreeing a common approach.

(GEOFFREY HOWE)

Foreign and Commonwealth Office

21 May 1984

22 MAY 1984





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Revised letter sent →

Hold until PM has seen revised text.

cc PL

(4)

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Please see attached Communiqué p. 8 para 11

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Foreign and Commonwealth Office

21 May 1984

A handwritten signature in dark ink, appearing to be 'J.M.', is written over the typed text of the Foreign and Commonwealth Office.

21 MAY 1944

