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10 DOWNING STREET

LONDON SWIA 2AA

From the Private Secretary

26 June 1988

MALAYSIAN DEFENCE PACKAGE

The Prime Minister has considered the Foreign Secretary's minute of 24 June recording the results of the meeting of Ministers to discuss implementation of the protocol signed by the Defence Secretary with the Malaysian Government in March. She is content for letters to issue to the Malaysian Finance Minister from the Defence Secretary and from our High Commissioner in the terms of the drafts enclosed with the minute. She also agrees that Malaysian demands for increased air services should be handled separately.

The Prime Minister has decided that she will definitely make a brief stop-over in Kuala Lumpar on the return journey from Australia, on the evening of 6 August, if convenient to Dr. Mahathir.

I am copying this letter to Ian Andrews (Ministry of Defence), Neil Thornton (Department of Trade and Industry), Jill Rutter (Chief Secretary's Office) and Myles Wickstead (Overseas Development Administration).

(C. D. POWELL)

A. C. Galsworthy, Esq., C.M.G., Foreign and Commonwealth Office.