

PRIME MINISTER

THE SECURITY OF SMALL STATES

There was a discussion of this subject in OD last year, on the basis of an FCO paper which you found inadequate. The Foreign Secretary and the Defence Secretary were instructed to produce a joint paper which would identify strategically vulnerable small states: made recommendations on the best way to counter the threat: and assess how the UK could realistically defend its remaining dependencies. The paper (attached) has taken nearly a year to produce.

The study's conclusions are summarised in the covering note. In essence they are:

- that there is less evidence than one might expect of active Soviet subversion, though vulnerability to it and to internal threats is high:

526? - we could usefully do more to counter the threat. Officials are conducting a review of precise needs. We shall certainly come under pressure at CHOGM to increase our spending;

- but there isn't any extra money and support for small states is not a sufficiently high priority to warrant diversion of resources from existing commitments.

A separate minute by the Foreign Secretary reinforces this last point and predicts that we may nonetheless have to find some more money to get through CHOGM.

It is proposed that the paper be accepted without further discussion in OD.

/The most

The most rational course would be to start talking now to the Canadians, Australians, and New Zealanders about what extra help they might be prepared to give for small States, so that the four of us could have a joint position at CHOGM. But that would presuppose readiness on our part to find some more money.

Agree:

- to accept paper as an interim report without OD discussion at this stage? Yes no

- but to ask for the review of the need for further assistance to the Caribbean, Indian Ocean and Southern Africa to be speeded up, and the results discussed in OD before the summer break, as the basis for our position at CHOGM? Yes

- to authorise the talks with the old Commonwealth suggested above? Yes no

C.D.P.

C D POWELL

15 May 1985

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DA



cc	WCO	LPSO
	HMT	DTI
	WPO	CAZ
	MOD	CO
		PC

10 DOWNING STREET

From the Private Secretary

16 May 1985

Dear Am,

THE SECURITY OF SMALL STATES

The Prime Minister has considered the joint memorandum by the Foreign Secretary and the Defence Secretary on the security of small states (OD(85)9) circulated to members of OD on 13 May.

The Prime Minister notes that some work is still in hand on the need for further assistance in the Caribbean, Indian Ocean and Southern Africa (though she is surprised to see how long this whole exercise is taking). She thinks that a discussion in OD will be necessary but would prefer to wait until this further work is completed. She would hope to have the discussion in July. One reason for this is that the Prime Minister believes that we should start to talk before the summer break to the Canadians, Australians and New Zealanders about what extra help they may be prepared to give for small states so that the four of us could have a coordinated position at the Commonwealth Heads of Government Meeting in October.

I am copying this letter to the Private Secretaries to members of OD.

yours sincerely,

(Charles Powell)

L.V. Appleyard, Esq.,  
Foreign and Commonwealth Office.